

A Shared Vision:

To Be America's Premier

Tropical, Cosmopolitan Destination

A Strategic Plan for Greater Miami and the Beaches' Visitor Industry

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Greater Miami Convention & Visitors Bureau Strategic Work Plan

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I. Introduction

The Greater Miami Convention & Visitors Bureau's Executive Committee conducted its annual retreat on March 19-20, 2004. The primary focus of this retreat was to review and discuss the findings and recommendations of two separate and independent performance audits/reviews conducted by consultants engaged by Miami-Dade County and the City of Miami Beach, as well as a summary of findings, issues and recommendations identified by a team of consultants engaged by the Bureau to assist in the development and adoption of a Strategic Plan moving forward.

During the retreat, all three teams of consultants presented the written reports (on file and used extensively in the preparation of this report) and discussed with the Executive Committee the various components within.

The Executive Committee also conducted a review and discussion of each report and worked to establish a set of key priority issues facing the organization. At the conclusion of the retreat, the Executive Committee instructed staff to compile a comprehensive draft consolidating the findings and the issues identified, as well as to develop a formal outline and foundation for the adoption of an organizational Strategic Work Plan moving forward.

Staff also reviewed and incorporated in this report the findings and recommendations of the most recent Strategic Plan conducted in 1992/93, and provided an update on the goals stated within.

In addition, this strategic workplan incorporates findings, recommendations and issues identified to provide a outline for the adoption of the next phase of the Greater Miami Convention & Visitors Bureau Sales & Marketing Plan including the upcoming planning and prioritization cycle for the preparation and adoption of the Program of Work and Budget for FY 2004/05.

This report outlines a series of options and methodologies for the Bureau to incorporate in the establishment of performance measures as well as the calculation of Return on Investment formulas to track performance and impact. The report further identifies financial implications for the organization and industry stakeholders to consider in moving forward, as well as a summary of key issues addressing the destination's tourism product and visitor service levels.

The conclusion of this report also outlines five (5) specific Goals for the Greater Miami Convention & Visitors Bureau to adopt and advocate for in the implementation of strategies and programs moving forward.

The Visitor Industry Plan (VIP):

After Hurricane Andrew devastated South Dade in August 1992, the Greater Miami Convention & Visitors Bureau (GMCVB) was awarded a grant for tourism recovery activities from the U.S. Department of Commerce's Economic Development Administration (EDA). The South Dade EDA Executive Committee, working with the GMCVB, recommended spending part of the grant on a tourism strategic plan. Understanding that South Dade's tourism is intertwined with visitation to other areas of the county, it was agreed that the plan would include all of Dade County. This proved to be a key decision because tourism crime became a serious problem for the industry and directly contributed to the first declines in visitor numbers in the past 10 years. The consulting firm of Arthur Andersen was selected to facilitate the 10-month strategic planning process which resulted in the Visitor Industry Plan (VIP).

More than 300 visitor industry and community representatives from throughout Dade County participated in a strategic planning process from March-December 1994. A Working Group of 70 leaders crafted the initial vision, mission and goals, and elected a Steering Committee. More than 250 participants affirmed the goals and recommended objectives and strategies at a day-long conference and in dozens of subsequent Task Force meetings. Five town hall meetings, a government briefing, a legislative summit, and a private sector leadership focus group were held to get input from the public, as well as community and business leaders and appointed and elected officials.

Key Findings/Trends:

Observations and assessments of industry trends over the period from 1989-93 concluded that the tourism industry was being threatened. Significant challenges remained as the community recovered from the impact of Hurricane Andrew in 1992. And while the number of overnight visitors was again increasing, their average daily expenditures were on a decline. The percentage of overnight visitors coming for the purpose of "leisure and vacation" was also down slightly. Most significantly, there was a significant decline in the number of visitors from domestic markets (4.8 million in 1989 declining 28.4% to only 3.4 million domestic visitors in 1993).

Conversely, international visitors increased significantly during this period (an 86.6% increase from 1989-93) primarily due to booming Latin American economies and travel patterns. This resulted in a major shift in Miami's visitor mix from 62% domestic visitors in 1989 to 61% international visitors in 1993. There was also an increasing dependence on Latin American markets versus European markets as the region was dealing with the impacts of visitor safety and highly publicized crimes against tourist.

Visitor satisfaction levels continued to decline during this period with a corresponding decline in their likelihood to return.

Consumer and trade research in major markets also showed that key competitors for both leisure and convention business were perceived as offering a better product with a higher value. In addition, there was a perception that our competitors were offering newer products and better service.

Another concerning trend was our continued competitive disadvantage due to the significantly larger sizes of advertising budgets of many of our competitors that were outspending us, most notably the Caribbean region as a whole and many of its components. Miami's advertising budget was also lagging behind several in-state destinations.

Four primary goals were established in the final report of the VIP:

1. Maintain and Grow the Visitor Industry.
2. By Working Together.
3. Provide a Friendly, High-Quality, Safe Experience.
4. In a Unique Tropical, Cosmopolitan Setting.

As outlined in the full report and highlighted in the Executive Summary, a number of specific initiatives were recommended. They included, by Goal Area:

- Seeking passage of an additional 1% Food and Beverage Tax to significantly increase the GMCVB's advertising budget to competitive levels.
- Develop a new positioning and marketing theme.
- Expand cooperative marketing programs.
- Improve communications with the public.
- Review where and how public funds from industry taxes are currently being used.
- Form a special Task Force to work with South Dade and Key Biscayne on continuing post Hurricane Andrew recovery efforts.
- Develop strategic alliances with other community groups such as the Beacon Council and the newly formed Coalition of Dade County Chambers.
- Improving the quality of the visitor experience including service/hospitality, transportation and safety.
- Assist existing attractions/appeals with support for improvements and expansion plans.
- Develop multicultural and ethnic neighborhoods and appeals.
- Maximize opportunities for tie-ins with the arts and special events.

Update On Goals Stated/Overview 2004

Goal: Seeking passage of an additional 1% Food and Beverage Tax to significantly increase the GMCVB's advertising budget to competitive levels.

Outcome: There has been no successful implementation or resolution as to passage of additional dedicated resort taxes in support of destination marketing and promotion.

Goal: Develop a new positioning and marketing theme.

Outcome: The Bureau adopted a new position and marketing theme in 1997 that took advantage of the destination's unique positioning as one of the world's only "tropical" yet "cosmopolitan" destinations. The current advertising program expands on the foundation of this theme capitalizing on the aspirational characteristics of the visitor experience with images and strategies focused on the destination's "high value" target audience.

Goal: Expand cooperative marketing programs.

Outcome: Since 1994, the Bureau has launched a number of cooperative advertising programs both leveraging traditional placed advertising in consumer and trade publications as well as a number of strategic alliances with several industry partners including tour operators, airlines, credit card companies and car rental agencies. In 1999, the Bureau launched a major "summer cooperative" program designed to leverage dollars with industry partners at the most critical period of the year including a formal cooperative menu for member partners to participate in. The program has averaged approximately an additional \$2 million leveraged with GMCVB advertising each year since (with the exception of FY 01/02, when a total of \$5.2 million was generated cooperatively as a response to 9/11).

Goal: Improve communications with the public.

Outcome: The Bureau conducted a "Tourism is Everybody's Business" campaign in response to this goal, including a very successful PSA campaign featuring local ambassador Nestor Torres. Even though a number of continuous programs designed to communicate with Bureau constituent groups exist (news coverage of the success of the industry and related events, newsletters, on-line communiqués, etc.) there remains a significant opportunity for expansion in this area – especially with the public at large.

Goal: Review where and how public funds from industry taxes are currently being used.

Outcome: No formal or collaborative process for this review has been implemented by the Bureau, the industry or the public sector.

- Goal:** **Form a special Task Force to work with South Dade and Key Biscayne on continuing post Hurricane Andrew recovery efforts.**
- Outcome:** The Bureau secured an EDA grant in partnership with the Beacon Council in 1993 to support an initiative designed to focus on this goal. A comprehensive program was executed assisting in the reintroduction of the South Miami Dade/Key Biscayne community including promotional brochures, video and targeted advertising.
- Goal:** **Develop strategic alliances with other community groups such as the Beacon Council and the newly formed Coalition of Dade County Chambers.**
- Outcome:** The Bureau has enjoyed a partnership with the Beacon Council, the ongoing work of the Coalition of Chambers, as well as working directly with over 33 chambers, associations, and non-profit groups. The Bureau and the Beacon Council have conducted a number of joint sales missions, co-hosting familiarization tours and special events as well as occasional cooperative advertising efforts. There remains an opportunity for growth in this area as well as coalition-building opportunities within these groups for destination marketing, service training and joint membership services.
- Goal:** **Improving the quality of the visitor experience including service/hospitality, transportation and safety.**
- Outcome:** There have been a number of significant accomplishments in this area, most notably new and improved legislation and monitoring of the quality of the taxi cab industry and a continuation of the reduction of crime statistics related to the visitor industry and this community over the past decade. The Greater Miami and the Beaches Hotel Association organized the Volunteer Education Service Training Trust (VESTT) in 1995. At its conclusion in 1998, the program had interacted with over 10,000 employees in our local hotels. The VESTT Program was then incorporated by the Greater Miami Chamber of Commerce, and in subsequent years, a specially designed “train the trainer” manual was created to support hotels and to complement in-house and corporate training programs. In recent years, the City of Miami Beach and the Miami Beach VCA have partnered with the Bureau in a grass-roots industry Service & Attitude rally. The Bureau also has partnered with Miami International Airport in its commitment to customer service. There remains, however, the opportunity to expand greatly in this area.

Goal: Assist existing attractions/appeals with support for improvements and expansion plans.

Outcome: There have been a number of specific accomplishments in this area including major expansions of MetroZoo and the relocation to new venues for Parrot Jungle Island and The Miami Children's Museum. There have also been a number of major expansions of arts centers and museums as well as the ongoing construction of the new Performing Arts Center of Greater Miami. Such "city" attractions that have evolved since 1994 include the Lincoln Road pedestrian mall. The Bureau also has played a leadership role in studying and advocating for the expansion of the Miami Beach Convention Center.

Goal: Develop multicultural and ethnic neighborhoods and appeals.

Outcome: One of the most significant accomplishments in recent years has been the creation of the Bureau's Cultural Tourism Program including the creation of an in-house administrative staff assigned to facilitate the program. This has led to a more interactive relationship between the visitor industry and cultural institutions, as well as the continued emphasis on multicultural and heritage assets such as the Bureau's recent Heritage Guide and a new tour guide training program in partnership with Miami Dade College.

Goal: Maximize opportunities for tie-ins with the arts and special events.

Outcome: A fundamental objective of the Bureau's current advertising and public relations programs revolves around the promotion of special events held in this community. This includes a number of on-line and collateral materials designed to educate visitors and potential visitors alike. The Bureau's current primary sales and advertising program for the key months of the Summer/Shoulder - Festival Season, has at its heart this objective.

In the coming sections, several of these goals are revisited and expanded upon.

II. Audit & Research Reports - Summaries, Outcomes and Vision

Brief Summaries

- 1. Marshall Murdaugh Marketing and CSL International, Greater Miami Convention & Visitors Bureau – Performance Review and Evaluation.** November 18, 2003.

Retained by Miami-Dade County to assist in evaluating the operations of the Greater Miami Convention & Visitors Bureau (GMCVB). The objective of the study was to: “Independently assess the effectiveness of GMCVB Operations in serving its public sector partners, Miami-Dade County and cities of Miami and Miami Beach.”

The study incorporated the collection of significant amounts of data, outreach to individuals and organizations within the community, and the development of recommendations that could have a significant impact on the ability of the GMCVB to promote convention and tourism activity for all stakeholders and within all sectors of the Destination.

- 2. Economics Research Associates (ERA) and Tourism Development Associates (TDA)** were retained by the City of Miami Beach to assess the structure of the GMCVB and its relationship to the City. The final report was submitted March 5, 2004.

The team analyzed substantial amounts of research and interviewed stakeholders to generate its final report. A five-fold charge was required by the City of Miami Beach which was fully addressed in the ERA report. Recommendations were made for GMCVB best practices to optimize marketing and promotion results for the City of Miami Beach.

- 3. Ernst & Young (E&Y)** was engaged by the Greater Miami Convention & Visitors Bureau to assist in the Strategic Planning Exercise.

The team was retained to provide analysis of Miami as a destination, competitive markets, and visitor demand. As part of the Strategic Planning Exercise, the team identified target markets, brand positioning and marketing strategy. They also identified product enhancement opportunities and recommended further research initiatives.

The team’s activities included interviews with GMCVB representatives, lodging, attraction, and convention representatives. A series of syndicated research was purchased to assist in the analysis in collaboration with **Yesawich, Pepperdine,**

Brown and Russell (YPB&R). The team also conducted a strategy workout to discuss their findings, observations and conclusions.

4. **GMCVB Executive Committee Retreat.** In March 2004, the Greater Miami Convention & Visitors Bureau gathered for a two-day retreat. The purpose of the retreat was to analyze and evaluate the GMCVB audits from Marshall Murdaugh Marketing and Economics Research Associates plus the Strategic Planning Exercise from Ernst & Young. After evaluation and discussion, the Executive Committee determined key priorities and defined tasks for GMCVB staff to complete and to publish a GMCVB Strategic Plan for 2005 and beyond.

Summary of Findings and Recommendations from the Audits and Planning Phase Including Trend Analysis and Research Findings.

A. Marshall Murdaugh Marketing and CSL International

The Process:

The study incorporated the collection of available data, outreach to individuals and organizations within the community, and the development of recommendations that could have a significant impact on the ability of the GMCVB to promote convention and tourism activity for all stakeholders and within all sectors of the Destination. Key tasks included assessing the GMCVB's:

- Strengths, weaknesses, opportunities and challenges.
- Performance against stated goals and work plan and position when compared to similar organizations.
- Areas of improvement and recommendations.
- Quality level of sales, marketing, customer service, administration/management and support services.
- Research's impact on initiatives and available resources.
- Measurement and Performance reporting.
- Ideal model/structure to provide optimal public relations, sales and marketing efforts.
- Operations relative to industry standards.
- Marketing and Promotion efforts.
- Impact should a separate entity be created to promote just Miami Beach.

Key Findings:

- Annual increases in GMCVB funding have not kept pace with the competition which may be affecting the organization's ability to build brand awareness and motivate convention and leisure travel business.
- The current funding arrangement between Miami Beach and the GMCVB does not provide funding increases commensurate with tourism increases.
- Motivated by budgetary limitations, GMCVB has kept down costs on salaries and wages which could negatively affect overall performance.
- GMCVB's competent staff produces significant work volume while remaining professional and exhibiting high ethical standards.
- GMCVB responds well to changing conditions.
- GMCVB has doubled advertising budget through successful partnership programs.
- Miami is the umbrella brand. Other cities and municipalities should be used as descriptor assets.

Recommendations:

- 1. Funding of GMCVB:** Annual increases in GMCVB funding have not

kept pace with the competition. GMCVB may be falling behind in its ability to build brand awareness and motivate convention and leisure travelers to the destination.

- Restructure the funding arrangement with Miami Beach to keep pace with the Destination's growth.

2. Advertising and Marketing:

- Use one marketing organization for the Greater Miami area to maximize and centralize consumer branding and destination message.
- Conduct research including Strengths/Weakness Analysis with the Miami customer to pretest and validate advertising plan.
- Create a new mission statement.
- Develop and implement an integrated annual marketing plan.
- Independently evaluate and compare the Web marketing program with competitive Bureaus for both functionality and ability to drive travel decisions.
- \$500,000 budget should be devoted to worldwide Public Relations plus hire a top tourism PR firm.
- Launch a new community-wide branding campaign.

3. Operations:

- Execute internal monthly and annual marketing reports.
- Institute a monthly Miami Tourism Barometer, plus national tourism comparative analysis.
- Overall evaluation and return-on-investment reporting for all marketing efforts.
- Develop a value statement demonstrating GMCVB's return on investment.
- Expand the staff training program to include marketing sales leadership.
- Implement a periodic operational performance assessment.
- Have the department of Finance and Administration provide independent validation of GMCVB performance.

4. GMCVB Board:

- Should be more proactive in government relations.
- Restructure based on industry best practices.

5. Staff:

- Create published sales and marketing procedures and manuals.
- Change sales compensation to elevate sales staff recognition.

6. Convention Sales:

- Hire a third party telemarketing sales firm.
- Solicit major international conventions.
- Initiate a new marketing agreement with Miami Beach Convention Center.

- Create a formalized convention development fund; analyze why convention business is lost.
- Enhance convention service by benchmarking and analyzing future conventions.
- Develop an operation plan for the proposed visitor center.

7. Membership:

- Expand membership especially in the restaurant category.
- Membership needs assessment survey implemented.

8. Community:

- Implement a comprehensive public affairs plan to include customer, community, and stakeholder relations and crisis management plans.

Research:

Marshall Murdaugh Marketing executed a focus group covering discussion questions about Greater Miami's strengths, weaknesses and challenges, how to maximize opportunities to achieve greater results for the future, and whether the GMCVB responds effectively to strengths to maximize visitor levels. The focus group was made up of approximately 35 senior community tourism industry leaders.

1. Focus Group to discuss Miami's strengths, weaknesses, and challenges:

- **Destination Strengths include:** Varied and diverse attractions; South Beach; community is tolerant of diversity; sophisticated; electric atmosphere; nightlife and dining; weather; beach; brand.

The Destination's strengths are vast and diverse. And, the destination's strengths transcend governmental boundaries. Visitors to the area are most successfully motivated when outreach appeals directly to the visitor's individual desires.

- **GMCVB Strengths include:** highly ethical and fiscally responsible; successful at leveraging private sector marketing dollars; proactive crisis management; the organization's ability to generate incremental additional visitation; the organization's active role in major events; focus on niche marketing.

Focus group participants offered positive perceptions about the GMCVB's ability to generate incremental visits to the area, ethical integrity, proactive role in many areas and its ability to successfully leverage public dollars to generate private sector contributions.

- **Infrastructure Weaknesses:** Roads; taxis; public transportation interconnect; airport visitor information; signage (way-finding); parking; crime perception; lack of low cost carriers to market.

- **Visitor Industry Resource Weaknesses:** Hotel/restaurant customer service; language barriers; poor convention hotel block; condition of Miami Beach Convention Center.
- **Perception Weaknesses:** Two tourism seasons (January-April and May-December); convention competition.

Participants honed in on not providing a “visitor-friendly environment” because of infrastructure and service weaknesses. The group cited poor way-finding and internal roadway transportation, parking limitations, a lack of information outlets and low-cost carriers, and inconsistent customer service at hotels and restaurants.

- **GMCVB Weaknesses:** Limited funding for competitive marketing; no clear destination identity; leadership and industry fragmentation; community doesn’t appreciate tourists; lack of political support; short-term nature of GMCVB funding structure.

The GMCVB’s inability to consolidate its role as the primary marketer for the convention and visitor industry was identified as the organization’s greatest weakness. GMCVB performance may be undermined by lack of appreciation for tourism by the community and governmental leaders. This lack of appreciation could be undermining the Bureau’s effectiveness in interacting with governmental stakeholders. Likewise, the current funding structure used by Miami Beach works against long-term strategic and budgetary planning, both of which are necessary for optimal Bureau performance.

- **Challenges include:** Increase drive market; increase pre and post-cruise activity; fill the significant increase in hotel capacity; sustain gay/lesbian market; address politics and member in-fighting; improve Miami Beach Convention Center; address visitor industry infrastructure; improve Internet marketing; sustain competitive GMCVB budget; address stakeholder needs.

Addressing political and member in-fighting is a critical challenge. Strategic improvement recommendations to the Miami Beach Convention Center should be followed. Other areas that need to be addressed are consistent GMCVB funding streams, opening dialogue for stakeholder issues, improving the Destination’s internet marketing and improving visitor appeal at the Airport.

- **Opportunities include:** Regional marketing program (include other communities in S. Florida); identify GMCVB as lead marketing agency for the Destination; train and educate visitor industry employees; plan to improve the visitor industry infrastructure; improve niche/seasonal marketing; empower the GMCVB through dedicated funding stream with longer-term commitments.

2. Benchmarking and Comparative Analyses

Benchmarking cities: Anaheim, CA, Atlanta, GA, Boston, MA, Charlotte, NC, Dallas, TX, Houston, TX, New Orleans, LA, Orlando, FL, Philadelphia, PA, San Antonio, TX, San Diego, CA, San Francisco, CA, Tampa, FL, Washington, DC.

- **Comparison of overall budget rank:** Orlando has the largest operating budget of the group at \$39.4 million, double that of Miami. Miami ranks toward the upper end of the set reviewed.
- **Ratio of budget resources to hotel rooms:** Report indicates that the current GMCVB budget is somewhat proportional to the capacity of the hotel industry. If geographical and political diversity were also taken into account, the results may be different.
- **Ratio of budget resources to convention/trade show space:** Miami's resources are about in the middle of the comparative set. San Antonio, Tampa, Philadelphia and San Diego operate at substantially higher resource levels. This analysis demonstrates the resources available to effectively generate leads for area convention and tradeshow facilities.
- **History of budget increases:** For the comparative set, Bureau funding average increases are 37 percent. GMCVB's funding increase over the past five years is only 13 percent. Only three of the 14 other bureaus evaluated have experienced a lower total increase in budget resources over the past five years than Miami. The report indicates that the GMCVB is not being properly funded to effectively promote and market the Destination in a competitive convention and tourism market.
- **Miami Beach Resort Tax collections and GMCVB funding levels:** GMCVB funding has remained relatively flat while Miami Beach's gross resort tax collections have increased. GMCVB's funding must remain consistent with gross receipts in order to properly market the area. The current agreement does not allow for funding consistent with tax receipt increases.
- **Advertising budget comparison:** Data were available for only seven bureaus. Of the seven bureaus, Miami's budget was second highest after Orlando. This indicates that even during difficult times, GMCVB is maintaining a significant portion of its total budget for advertising.
- **Comparison of Tourism/Convention budget allocation:** Within the comparative set, Miami spends the smallest percentage (25%) on convention marketing. Murdaugh suggests that this lower budget allocation is because of limitations with the Miami Beach Convention Center including a lack of committable hotel rooms near the Center and lack of dedicated general session/ballroom space.
- **Comparison of total Bureau staff:** Comparable bureaus have 23 percent more staff. GMCVB's staffing is comparable to bureaus with

substantially lower annual budgets. Low pay levels pose turnover and staff quality challenges.

- **Staffing trends over the past five years:** Only two bureaus, Miami and Philadelphia, reduced staff. Over the past five years, average staff increases have been 16 percent, or ten full-time positions. In the case of Miami, staff was reduced 20 percent, or 15 full-time positions. Without added personnel, sales and marketing efforts will eventually be impacted.
- **Comparison of total tax on hotel rooms:** Miami's 13 percent tax rate ranks toward the lower end of the major market set. This may indicate there is room for a modest rate increase with the funds dedicated exclusively to maximizing room night generation.

B. Economics Research Associates (ERA) and Tourism Development Associates (TDA)

The Process:

The team analyzed substantial amounts of research and interviewed stakeholders to generate its final report.

Five-fold charge was required by the City of Miami Beach:

1. Review and assess the current GMCVB governance, structure, processes and overall operations.
2. What type of model/structure should exist to provide the services necessary to achieve the optimal public relations and sales and marketing efforts to enhance the City of Miami Beach's tourism and convention industries.
3. Compare and provide a comprehensive report on GMCVB operations relative to industry standards.
4. Evaluate and recommend strategic approaches for the City of Miami Beach to meet marketing objectives identified in the Market Assessment, including targeting, positioning and communicating.
5. Assess adverse/positive impact as a result of GMCVB's efforts to market Greater Miami versus Miami Beach only. Evaluate how those efforts impact and maximize the assets and attributes of smaller communities through broad destination-wide sales and marketing approaches. Formulate recommendations for increasing overall effectiveness that unify and consider all stakeholders, creating a collective atmosphere in which to promote Miami Beach as a premier convention and tourist destination.

Key Findings:

- The GMCVB's governance, structure, processes and overall operations are performed professionally and effectively.
- The relationship between the City of Miami Beach and the GMCVB has deteriorated. Poor communication could be the cause.

- Governance – the City of Miami Beach provides one-third of the GMCVB’s funding from the public interlocal partners. Representation on the board and key committees is proportional to this one-third financial support.
- Both the GMCVB’s Board of Directors and Executive Committee are more than double the average size of its peers.
- GMCVB accounting practices, organizational structure, and size of membership are in keeping with its peer group.
- GMCVB differs from its peer group by operating with a smaller staff, spends less on payroll and spends more than average on direct promotion.
- GMCVB generates less than the average funding from private sources.
- GMCVB is the appropriate model/structure to maximize the City of Miami Beach’s tourism and convention industries.
- Using one advertising agency for the region’s marketing efforts is the optimal model.
- The City of Miami Beach can gain the most leverage on its marketing investment by working through the regional bureau.
- “Going it alone,” independent of the GMCVB, will have an adverse impact on the Miami Beach economy.
- Miami is the brand identity for the region.

Recommendations:

- A Strategic Plan with shared goals and objectives could help in improving relations. The Strategic Plan should include: target markets for attracting visitors; position the various Greater Miami (and Miami Beach) tourism products within the field; suggest what new tourism and convention products to develop; prioritize improvements in the tourism infrastructure.
- Set a formula-based contribution with a long-term agreement to provide funding to the GMCVB.
- Let the GMCVB pursue its mission of marketing all of Greater Miami to the larger world.
- Reduce the size of the Executive Committee to give each remaining member greater influence.
- Rather than expect the GMCVB to undertake specific City of Miami Beach initiatives, the City should identify the programs that would remain under the full control of the City and would be in addition to GMCVB activities.
- Adopt the International Association of Convention and Visitor Bureaus (IACVB) Board set of standards for evaluating the GMCVB’s performance.
- To improve communication, assign one person at the City of Miami Beach and the GMCVB to communicate directly with each other.
- Additions to Existing Research - cross-tabulations from existing research tools are requested including: convention vs. leisure visitors; breakout

boutique hotel stay; expand media preferences; income; international market; *High-Value Customers*.

- New Research – Opposition research; conversion studies; non-converted travelers.

C. Ernst & Young (E&Y) with Yesawich, Pepperdine, Brown & Russell (YPB&R)

The Process:

The context for the strategic planning exercise included a GMCVB planning session and strategy recommendations discussion, review of existing research, interviews with market stakeholders and representatives in selected competitive destinations, and consumer interviews with individuals interested and not interested in Miami.

Key Findings:

Regional Assessment:

- Results of destination assessment summary matrix.
- Results of demand segment analysis (leisure, corporate, group).

Competition:

Among adults interested in visiting Miami, key Sunbelt leisure competitors are Key West, Orlando and Ft. Lauderdale. Other Sunbelt destinations of interest are California and the Caribbean.

The Caribbean poses formidable competition since 87% of visitors interested in visiting Miami are also interested in visiting the Caribbean.

In rank order, Orlando, Atlanta and New Orleans are primary convention business competitors, while Ft. Lauderdale and Tampa represent secondary competition.

- Orlando's strengths are that it is a more convenient drive-to destination, has air access on low fare carriers which reduces the cost of getting to the destination, web site offers vacation packages and planning services, positive visitor experience at the airport. However, Orlando does not have the beach nor is it a cosmopolitan metropolis, both of which benefit Miami as a destination.
- Ft. Lauderdale is making significant improvements including those at the seaport and airport. Low-cost carrier access offers an alternative to traveling into Miami. Recent service enhancement programs have been performed and the convention facilities have recently been expanded. The destination's weaknesses include a lack of international flights and a lingering Spring Break image.

- Key West competes with Miami for a niche of the leisure segment especially among drive-to and gay visitors.

According to D.K. Shifflet, when compared to key leisure and convention competitors as a destination (Orlando, Ft. Lauderdale, Las Vegas and New Orleans), Miami received lower ratings for overall satisfaction, value for money, overall satisfaction with accommodations, and service satisfaction with accommodations. It was also rated low by visitors who took a getaway weekend or a general vacation.

Miami was rated the highest of the competitive group by visitors who came to Miami to visit friends or relatives.

Visitor Demand Research:

According to original research conducted by YPB&R, the following trends were noted:

- Leisure travelers interested in visiting Miami have some college education, have children who are under 18 years old, are white non-Hispanic and live in metropolitan areas.
- Among those not interested in visiting Miami, over 40% are not interested because of the perception of crime; other reasons are because the destination is perceived to be overpopulated, and too hot and humid. Only 10% are not interested because of the destination's diversity.
- Of particular concern, 69% of those not interested in Miami have already visited. More recent visitors are more predisposed to revisit Miami.
- Miami's highly desirable attributes are: beautiful scenery; offers fun/exciting experiences; the beach; its tropical/cosmopolitan atmosphere.
- Three-quarters of leisure travelers interested in visiting Miami use the Internet to obtain travel information or make travel reservations.
- Target market (geographic) – 48% are international, 52% are domestic (70% out of state, 30% in-state).
- Target market (demographics) - 25-54 adult, \$75K+ household income (skewing to \$100K+), the strong majority are white non-Hispanic couples or married, and are college graduates. Twenty-one percent are families. Five to 10 percent of the couples are gay. About one in five come from diverse ethnic backgrounds. This situation provides a sound foundation for a diversity marketing program for the destination. D.K. Shifflet research indicates that 50% of the domestic market arrives by car. This contradicts the GMCVB intercept surveys that indicate nearly 96% of visitors arrive by air.

Recommendations:

1. Brand Positioning

- Recommend "A Thriving Tropical Metropolis" as the evolution of the Tropicool brand. Miami is the only major U.S. city that compares with New York and Los Angeles as an urban vacation destination.

This brand evokes urban sophistication, and a multicultural tropical vacation experience.

- Create Miami as the umbrella brand. Within the brand architecture, Miami's communities should be treated as the sub-brands.

2. Product Development Initiatives

- Improve way-finding and brand environmentalism (support beautification efforts around the Performing Arts Center, development of pedestrian-friendly waterfront corridor and implementation of Miami River Commission recommendations).
- Become a first-class meeting destination by expanding Miami Beach Convention Center to include a banquet hall and integrating into Lincoln Rd. Mall. Execute a MBCC headquarter hotel study, beautify the Washington-Collins Avenue corridor and improve Bay-link transportation.
- Improve Miami Knight Center consistent with CSL Study.
- Demolish Coconut Grove Expo Center, analyze other potential uses.

3. Attraction Enhancement

- Create a branded city pass to include transportation and admission to sites.
- Seaquarium - relocate park and enhance waterfront activities.
- Miami Beach - more public beach access, enable pedestrians to see the ocean.
- A new baseball stadium is not a major priority.

4. Service and Value Perception Enhancement

- Create a service quality Task Force to develop a service program (Ft. Lauderdale's branded service program is SUNsational™).
- Miami International Airport Task force to keep expansion focused on customer needs and making the facility customer-friendly.

5. Marketing Strategy Initiatives

- Use dedicated marketing funds to address the needs of the primary markets and co-op funds for vertical markets.
- Create a pool of incentive funds specific to attracting meeting and convention business in order for Miami to remain competitive.
- Re-allocate advertising funds. Current advertising levels are insufficient to sustain meaningful presence in media. 2002/2003 advertising expenditures declined 32 percent from 2001/2002.
 - Increase trade media 20%.
 - Increase online advertising and merchandising to at least 20% of total.
 - Allocate available advertising funds to broader target market.
 - Allocate future advertising funds to vertical markets.
 - \$750,000 for additional trade advertising (international).

- \$2 million additional for television advertising in key domestic markets.
- \$500,000 additional for online media and Internet.
- More money for advertising production to support media expenditure.
- Off season marketing devoted to vertical markets.
- Consider promoting other available activities such as nature and sporting experiences.

6. Integrated Promotional Strategy

- Review and update sales promotion and collateral.
- Refocus publicity and public relations programs to counter crime perception.

7. E-marketing Initiatives

- Enhance GMCVB website, drive visitors through Miami into communities.
- Review URL and explore alternate addresses.
- Enhance website interface and design to be more interactive and destination-driven.
- Review booking tools.
- Ensure brand control and consistency (online message consistent with off-line communication).
- Keep content fresh.

8. Research Initiatives

- Use D.K. Shifflet to track visitor profiles and Synovate intercepts for guest activities.
- Implement measurement programs for: actual advertising performance (copy testing); awareness testing; cost per inquiry tracking analysis; and semi-annual conversion studies.
- Execute semi-annual Destination Awareness, Interest and Perception Research.
- Execute annual meeting planner and travel agent research.
- Execute tourism economic impact research.

9. GMCVB Sustainable Funding

- Create a task force to explore alternatives to current funding protocol that provides for predictable and sustainable funding over the long term. This will enable the Bureau to better plan, implement and evaluate multi-year programs.

Recommendation Additions:

- Cultural Diversity Program Development.

- Expand GMCVB presence in vertical markets (spa and gay).
- Conduct analysis of other high-interest Sunbelt destinations.

D. GMCVB Executive Committee Retreat

The Greater Miami Convention & Visitors Bureau Executive Committee gathered for a two-day retreat in March 2004. The purpose of the retreat was to analyze and evaluate the GMCVB audits from Marshall Murdaugh Marketing and Economic Research Associates, plus the Strategic Planning Exercise from Ernst & Young. After evaluation and discussion, the Executive Committee determined key priorities and defined tasks for GMCVB staff to complete and to publish a GMCVB Strategic Plan for 2005 and beyond.

The Executive Committee reached a consensus on the following priorities to be addressed in the GMCVB strategic plan:

- Find ways to attract more private sector funding over and above membership dues.
- Create a public funding model that correlates with and provides for GMCVB funding as tourism dollars increase. In particular, a formula for shared resort tax monies should be fully investigated.
- To address improving community affairs, explore adding a position of Senior Vice President of Public Affairs at the GMCVB.
- Better inform the public of the GMCVB's economic contribution to the Greater Miami community. Increased tourism directly contributes to local and state taxes and increased jobs, which in turn improves the quality of life of Greater Miami residents and individual communities.
- A strategic plan will be drafted in May 2004 with a final document published by mid-July 2004. The Bureau will develop the plan with input from select consultants, strategic alliance partners and all stakeholders.
- Goals for the Greater Miami destination will include:
 1. Minimize the effects of seasonality.
 2. Expand market base.
 3. Expand and improve the quality of the Miami Beach Convention Center.
 4. Eradicate negative visitor and resident perceptions of the destination.
 5. Improve the product of the destination.
 6. Continue to improve overall level of customer service.
 7. Improve the "Attraction" infrastructure.

8. Identify and grow customers' value proposition.
9. Implement an ongoing community-based education program promoting the value of tourism.
10. Improve way-finding.
11. Define the stakeholders and increase stakeholder base.
12. Retain market share and keep the repeat visitor.
13. Improve the marketing of our submarkets.
14. Include residents in the marketing of the destination.
15. Explore methodologies along with the destination's capacity to increase overnight visitors by 5-10% every year, for the next three years.

III. Sales & Marketing Strategies to Produce Desired Outcomes

Convention Sales

Mission Statement:

The mission of the Convention Sales Department is to serve as the community's convention, trade show and meeting development marketing arm, aggressively marketing Convention Centers and hotels and generating economic growth through convention development and room nights booked, while building total meetings business for the city as a convention destination.

Current year achievements will be updated at the end of 2004 and will include definitive statements quantifying:

- Conventions booked by year-end, number of room nights generated and economic impact in future dollars.
- 2004 major citywide convention bookings for the Convention Centers and the community and estimated room nights.
- 2004 total hotel bookings and total room nights.
- Details of how the Convention Sales Department sold the community in 2004 through other marketing activities including trade shows, conventions and sales forums, sales missions conducted, clients hosted on major destination familiarization reviews and site inspections conducted.
- Details of 2004 partnerships with key industry associations.
- Details of 2004 convention development funds used to book and develop new accounts and accounts in transition.
- Industry publication awards received.
- 2004 details of planned and executed sales blitzes and resulting leads.

Situation Analysis:

Convention Sales Situation Analysis will be detailed during the GMCVB's budget and goal-setting process in the 3rd and 4th quarters of 2004. As applicable, detail will be provided on:

- The Convention Center was built to attract the lucrative convention, trade show and meetings market.

- The percentage of the Center's total business that trade shows, conventions and public shows represent.
- The total number of first-class hotel rooms that Miami currently has and the projected committable room base.
- The Convention Sales Department will continue to aggressively target trade show/convention business while generating corporate, association, labor and social group leads for the hotel community and convention center. Marketing goals, objectives, tactics and competitive factors will be outlined in this plan.
- Factors influencing our aggressive sales approach include the construction of new attractions, shopping, dining and entertainment options, as well as the increase in the room inventory. This will help support citywide conventions and drive renewed interest in the destination.

Convention Sales Goals

Convention sales goals will be determined during the GMCVB's budget and goal-setting process in the 3rd and 4th quarters of 2004. As applicable, detail will be provided on:

- Convention and trade show bookings and confirmations, the resulting room nights and the anticipated results comparison to 2003/04.
- Bookings of meetings and conventions for hotels, the total room nights and the anticipated percentage increase over 2003/04.
- Annual bookings, room nights, number of attendees and revenue totals from delegate spending, plus gross square footage used.
- Lead generation goals through the Washington, DC office.
- Solicitation of Industry-related convention and meetings in the trade show and convention market, tourism market and communications field.
- Conduct special projects to generate leads for the Convention Centers and hotel community during off peak and shoulder season.
- The Convention Sales staff will implement a plan to join committees and boards of key industry organizations. This will heighten the city's exposure to clients, as well as create an equal professional plane, which will help build relationships that will develop into leads and bookings.

- Convention Sales will continue to develop superior communication with city hotels and other key business partners.
- Produce new promotional material enhancing the brand to promote the destination's hotels and the Convention Centers.
- Explore relationships with representative firm(s) that specializes in producing new contacts and helps to generate leads for trade shows at the Convention Centers.
- Explore relationships with a hotel telemarketing organization to generate leads for the hotels.

2004 Convention Sales Objectives

Objective One: **Increase long-term bookings of conventions, meetings and trade shows for 2004 and beyond for the Convention Center and citywide hotel business. Book and confirm such commitments, generating a specified number of hotel stay nights and Convention Center square footage usage.**

Strategy 1:

Generate Convention Center leads (totaling an estimated number of room nights) by targeting cities in select geographic areas and businesses in key categories. Trade show companies, associations and corporations are a prime source of new business in these lucrative markets. Target meeting, convention and trade show business that will use peak room nights and a minimum of gross square feet to fill the Convention Center and support growing room inventory.

Tactics:

- Generate communications via telemarketing contacts and e-mail.
- Conduct sales missions generating personal sales calls. Individual sales managers will be assigned missions in their respective markets.
- Increase exposure to the destination via site visits. Marketing efforts are targeted at producing site visitations by individual decision-makers, boards of directors, site committees, trade show management teams and key exhibitors. Comprehensive tours of the Convention Center, marketing partner facilities and the city are aimed at stimulating interest and securing commitments.
- Participate in industry trade shows, conventions and sales forums. The Action Calendar details the department's schedule of industry conventions and trade shows.

- Work directly with SMG's corporate offices to identify top corporate customers and major trade show companies to market the Convention Center.
- Use Internet marketing to send quarterly messages and images of the destination to target prospects and current customers from our database.

Strategy 2:

Continue to generate excitement about new city developments by participating as a destination at major trade shows and meetings and by continuing our aggressive convention destination familiarization review program, sponsorships at industry functions, conducting small dinner destination events and taking our showcase events on the road to tell the destination's story.

Tactics:

- Host exciting destination reviews corresponding with special events and mini-familiarization tours for prospective buyers to showcase the Convention Center and surrounding area.
- Sponsor two industry chapter luncheons and events to showcase Miami and its regional attractions, Convention Center and hotels.
- Conduct showcase events in key target cities.
- Organize and implement sales blitzes.
- Sponsor events at key industry annual conventions or trade shows in which we will be able to spotlight Miami.
- Conduct small dinner programs by hosting 10 to 12 clients in key cities to update them on Miami's new developments.

Strategy 3:

Continue to target major multi-management and trade show companies which represent a significant number of organizations that can generate new business for the Convention Center and individual hotel properties in order to support the increasing hotel inventory.

Tactics:

- Continue to solicit multi-management and trade show companies to host their executive management retreat meetings in the Convention Center.
- Solicit the three major third-party companies - Conferon, Conference Direct and Helms Briscoe - and make presentations and participate at their trade shows. The Washington, DC office will cover Washington, DC, Virginia and Maryland. All other states will be covered by a salesperson for each of these three third-party companies.

Strategy 4:

Utilize convention development funds to defray operation costs or to assist in marketing efforts for conventions and trade shows, particularly those with strong growth potential.

Tactics:

- When appropriate, negotiate funds to offset costs associated with a major citywide convention using the Convention Center.
- When appropriate, negotiate Convention Center waivers. These waivers will help book organizations for citywide conventions that will fill hotel rooms.

Strategy 5:

Advertise in key trade publications to position Miami, highlighting new developments that will draw attendees for trade shows and conventions.

Tactics:

- Advertisements will be placed in select industry publications.
- Advertise in selected local chapters of industry organizations such as PCMA Washington, DC.
- Work with Communications Department to develop media publicity approaches.

Objective Two: **Continue to develop short-term business opportunities next year and beyond, targeting corporate and association meeting planners with short-term meeting needs by confirming hotel convention bookings.**

Strategy 1:

Position Miami as a premier meeting destination by highlighting site benefits through an Internet-based RFP program. It is estimated that hotel sales leads for 2005 will exceed last year's numbers by ____% with more than ____room nights, at an estimated conversation rate of ____%.

Tactics:

- Use the e-mail blasts to promote value periods and hotel availability. These e-mails will be sent to a database of corporate, state and regional association meeting planners on a monthly basis. The database will consist of past Internet RFP users and members of various meetings organizations.
- Develop a quarterly newsletter to be e-mailed to all Internet RFP customers that will update them on community developments and other news. The list of hot dates will be included with this e-mail.

Strategy 2:

Advertise in key trade publications to impress upon corporate, regional and association planners new developments promoting short-term hotel and Convention Center business.

Tactics:

- Place ads in industry publications.

- Use testimonials from previous meeting planners who have used the Meetings Express program.
- Place ads in local chapter newsletters and on the website to generate regional business.
- Work with Communications to develop new advertising and publicity.

Strategy 3:

Target select major cities for corporate, union and association meeting and convention center business.

Tactics:

- Use showcase events to help generate short-term hotel and Convention Center business.
- Conduct a small dinner program by hosting 10 to 12 clients in key cities to update them on new developments.

Objective Three: Maintain and confirm a defined number of annual long-term Convention Center bookings of conventions, to generate a defined number of room nights and projected number of attendees resulting in ____ delegate spending.

Strategy 1:

Maintain and strengthen relationships with annual citywide conventions and trade shows that have made the Convention Center their home. Solicit their input to identify industry-wide trends and suggestions for making Miami more of an attractive convention destination. Confirm the room nights produced for public shows to generate a target total of hotel room nights.

Tactics:

- Host an annual Advisory Board meeting. This group is made up of annual clients and other top industry trade show and meeting executives.
- Maintain relationships for endorsements, testimonials and promotional opportunities.

Objective Four: Produce new business through the Washington, DC office. We will determine the Washington, DC sales office's projected number of leads for 2004 and beyond representing a defined number of room nights.

Strategy 1:

The Washington, DC sales office will accomplish these sales objectives through personal and telephone sales, existing accounts and prospecting for new business sources. The DC office will do extensive networking at Washington, DC industry events. The sales staff in DC will participate with Miami clients on City familiarization trips and send clients for individual site inspections.

Tactics:

- Conduct in-person sales.
- Generate client contacts through e-mail and telephone to existing database accounts and new prospects.
- Attend monthly meetings of local chapters of IAEM, PCMA, GWSAE, MPI, AMPs, SGMP and UMPS.
- Participate on committees of major industry organization local chapters, as well as select national level committees to heighten exposure of Washington, DC office representatives.
- Represent the destination in DC marketplace trade shows, such as IACVB Destinations Showcase, GWSAE Springtime in the Park and HSMAI Affordable Meetings.
- Participate in selected national meetings and trade shows where the DC client base is present, such as PCMA, ASAE, MPI and SGMP.

Strategy 2:

Develop and expand programs to heighten the value and visibility of the Washington, DC office to both customers and marketing partners. These programs will aid in achieving the stated office goals by increasing the likelihood for clients to contact and interact with the DC office.

Tactics:

- Make sales calls with the destination's hotel marketing partners upon request.
- Develop relationships and make presentations to third-party companies for Washington, DC, Virginia and Maryland events.

Strategy 3:

Conduct small client dinners of 10 to 12 association and trade show clients to update them on Miami developments.

Tactics:

- Target select union meeting planners and executive officers for dinners and luncheons.

Objective Five: Solicit key convention and tourism industry conventions and trade shows.

Strategy 1:

Bid on key industry convention and tourism industry annual, mid-year and leadership conferences. Bringing these key industry conferences into Miami provides an opportunity to showcase the destination, Convention Center and the city's development and area attractions. These organizations will produce other meetings, trade shows and conventions.

Tactics:

- We will detail the business we will be bidding on.

Objective Six: Conduct special projects to generate leads for the Greater Miami hotel community during off peak and shoulder seasons.

Strategy 1:

Assign specific projects to Convention Sales staff to increase lead generation.

Tactics:

- Continue to use the “Miami Magnet” program — or Miami convention industry ambassadors — to draw attention to local/state associations for their support on national convention bids.
- Organize and execute a telephone sales blitz targeting all market segments both regionally and nationally. This program will incorporate hotel marketing partners, GMCVB and Convention Center sales staff, in a telephone blitz to produce bookings for the hotels and the Convention Center.
- Target, solicit and book conventions or trade shows for the short and long term to occupy Convention Center exhibit space and peak room nights.

Objective Seven: The Convention Sales staff will join committees and boards of key industry organizations. This will heighten Miami exposure to clients, as well as create an equal professional plane, which will help build relationships that will develop into leads and bookings.

Strategy 1:

Convention Sales staff will attend monthly industry organization meetings and participate on organization committees and boards.

Tactics:

- Staff will volunteer to work on at least one committee or board of select organizations.
- Each salesperson will attend at least two chapter meetings a year for select chapters of national organizations.

Objective Eight: Convention development will continue to develop superior communication with the destination’s hotels and other key business partners.

Strategy 1:

Roundtable meetings will be conducted with key hotels as well as other business partners to listen to ideas and discuss marketing opportunities. These meetings will keep key

business partners informed on the Bureau's responsibilities to the community while discussing current and future goals.

Tactics:

- Continue to conduct monthly key hotel business partner meetings.
- Continue to hold quarterly Director of Sales business partner meetings.
- Release, in conjunction with Communications and Tourism, bi-monthly faxes on convention projects.

Objective Nine: Produce new promotional material to promote the destination's hotels and the Convention Center.

Strategy 1:

Develop and produce, in conjunction with Communications and Marketing, new branded promotional information that will have a similar look and feel, which will be used to promote the destination and the Convention Center.

Tactics:

- Redesign/produce a bid book for conventions and trade shows.
- Redesign/produce an Internet RFP brochure.
- Redesign/produce a new Meeting Planner Guide.
- Reprint single hotel booklet to be used to promote the Convention Centers and hotel rooms.
- Produce/redesign an Airport Passenger Guide.
- Maintain an annual Convention Calendar that is easily accessible to meeting planners.

Objective Ten: Work with SMG and their trade show generation organization to help produce more convention center business.

Strategy 1:

Work with the SMG representative with leads on trade show companies considering Miami as a prime site for trade shows. This company will help us target trade show business that can fit the Convention Center.

Tactics:

- Identify leads.
- Work with SMG representative firm to qualify leads.
- Host clients for familiarization tours.

Objective Eleven: Contract with a telemarketing lead generation organization to produce hotel lead business.

Strategy 1:

Use a telemarketing organization to generate leads to help fill in holes for small meeting business at hotels and the Convention Center.

Tactics:

- Track leads and conversion rate.
- Target group size and peak room nights.
- Target mid-week business in August and September.
- Use this process to help cleanse database.

Convention Services

Mission Statement:

The mission of the Convention Services Division is to support the efforts of the Convention Sales team by facilitating the meeting planner's efforts and serving as the liaison with the community's products and services, and to enhance the meeting delegate's destination experience with the goal of increasing the likelihood the business will rebook in Greater Miami.

Current year achievements will be updated at the end of 2004 and will include definitive statements quantifying:

Convention Services provided support to conventions, meetings and trade shows via attendance building, registration personnel and provision of promotional materials.

- Customer service evaluation rating and previous year comparison.
- The number of familiarization tours, site visits and industry events that Conventions Services supported through the Program of Work.
- The number of hours that Convention Services provided registration personnel to the Convention Center and hotel-based meetings and conventions.
- The reservation increase produced by the complimentary restaurant reservations. The percentage of reservations placed with member businesses.
- The number of shows, room nights and reservations produced by The Housing Bureau services, powered by Housing 3000.
- Expanded the array of marketing materials and information available to meeting planners via our website "Planners Tool Kit."
- The number of hotel meetings and conferences supported by Convention Services through the distribution of promotional materials, internet leads and event planning.

Situation Analysis:

The Convention Services Department is responsible for providing the highest level of customer service to positively influence first-time and rotation shows to return and insure the retention of annual clients.

Convention Services is responsible for implementing Bureau events, industry related sponsorships, and maintenance of all display components, which matches the responsibilities of our competitor CVB services departments.

Our challenge is to surpass service levels of our competitors whose budgets, staffing levels and destination amenities exceed our own.

2004 Convention Services Objectives

Objective One: **Provide support to conventions, meetings and trade shows via attendance building, transportation leads and information, partner leads, event planning, spouse programs and provision of promotional material. Total number of clients served will be detailed.**

Strategy 1:

Continue to utilize all methods to promote early awareness of key services programs through active participation with the client site visits and maintenance of a proactive relationship with annual and first-time planners and show managers. This will assure clients a successful event and position the area as a viable convention destination.

Tactics:

- Provide attendance-building services for first-time shows.
- Maintain a successful partnership with Convention Center event managers (SMG).
- Provide promotional materials, support and amenities to shows and events annually.
- Contact annual clients during the year.
- Work with Sales to secure supplemental rooms for annual clients as needed.
- Actively participate in pre- and post-convention meetings.
- Coordinate outbound gifts and amenities.
- Continue to use the Welcome Program to promote awareness through citywide signage and banners for qualified events.

Strategy 2:

Refine systems in place to support citywide, short-term conventions and meetings in the Convention Center and greater hotel community, thus reaching a broader base of potential repeat business.

Tactics:

- Include shows and events booked by the Convention Center/SMG.
- Include hotel shows booked by property sales staff.
- Coordinate collection and inclusion of citywide promotional items to fulfill client requests.
- Form partnerships with citywide hotel sales team to further identify and service client needs.

Objective Two: **Actively promote our Housing Bureau services as a viable sales option. The number of shows, room nights and reservations resulting from the department's housing support will be detailed.**

Strategy 1:

Establish and promote a new program to provide first-year incentive to select repeat shows to introduce them to value of the Housing System.

Tactics:

- Identify four to five shows that match program parameters but have to date been reluctant to use the housing system.
- Provide one-on-one demonstration of the housing system, stressing aspects that match their particular needs.
- Explore options to encourage planners to utilize the housing system for a one-year evaluation period.

Strategy 2:

Promote new program qualification parameters to include shows and events utilizing two or more hotels.

Tactics:

- Promote to short-term Convention Center business booking dates within 18 months of event through partnership with SMG sales staff.
- Make use of planner contact during site visits, familiarization tours and other special events to promote awareness of the expanded program.
- Actively participate with sales staff in promoting the assets of the housing program.

Strategy 3:

Provide superior housing service to qualified shows with our in-house software Housing System.

Tactics:

- Maintain open communication with planners to continually assess the program's ability to meet their needs.
- Meet regularly with key hotel sales and reservations staff to address new services and property issues.

- Attend industry educational sessions focusing on new developments in convention housing.

Objective Three: Provide planners with professional, experienced on-site registration staffing support inclusive of computer operators, lead retrieval, show office support and booth personnel for all Convention Center and hotel shows to facilitate the show experience for planners and attendees.

Strategy 1:

Recruit and train qualified registrars to provide effective show support.

Tactics:

- Maintain a network of skilled men and women.
- Conduct interview and skills assessment.
- Maintain uniform inventory and distribution procedures.
- Recommend and coordinate skills training.
- Oversee registrar orientation.
- Coordinate quarterly supervisor and annual full staff meetings.
- Conduct CVB services assessment surveys.
- Establish a network among industry peers through membership and participation in ACOM and other industry organizations and forums.

Strategy 2:

Work directly with show management to design a viable show support schedule.

Tactics:

- Develop and maintain relationships with planners and property sales teams to actively promote the registrar program.
- Work directly with show management during shows to make adjustments as needed.
- Attend pre- and post-convention meetings.

Objective Four: Effectively coordinate Bureau showcase events, familiarization tours, sponsorships and special events as directed.

Strategy 1:

Meet with relevant staff to brainstorm and design events specific to their defined goals.

Tactics:

- Select site and coordinate all elements including menu, floral, entertainment, rooms, travel, invitation process and client participation.
- Develop and manage event budget.
- Establish and orchestrate event timelines.
- Maintain communication among departments, SMG and partners.

- Conduct pre-meeting and post-event critique.

Strategy 2:

Implement Program of Work Calendar and trade show activities to enable consistent, productive marketing of Greater Miami to the convention and meeting industry.

Tactics:

- Coordinate storage, maintenance and enhancements of trade show booth components including roll-ups, tabletops and 10 x 10s, interface with exposition companies.
- Direct project management of new proposed trade show booth to include drafting RFP, interfacing with selected exposition companies and all related budgeting.

Strategy 3:

Maintain and distribute inventory of themed promotional items used to reinforce Greater Miami.

Tactics:

- Maintain network of qualified vendors seeking appropriate products.
- Recommend and secure items.
- Maintain POS inventory system.
- Coordinate fulfillment.
- Oversee budget.

2004 Tourism Sales Objectives

Objective One: **Influence and educate travel planners and travel trade decision makers that Miami is the destination of choice for their clients and successfully meets their sales objectives.**

Strategy 1:

Design and direct and annual international and domestic sales program designed to interact with and support top travel planners and travel trade colleagues targeting top producing markets as well as emerging markets.

Tactics:

- Identify optimum trade shows conducted in target markets in which to participate/exhibit.
- Leverage the Miami message and provide cost-effective partnerships with participating member organizations in organizing “Miami Areas” in relevant trade shows to support business to business commerce (participated in 41 trade shows in 2003).
- Organize and conduct targeted sales missions and blitzes in target markets (conducted 13 international sales missions and 40 domestic sales blitzes/missions in 2003).
- Organize and conduct hosted familiarization tours to Miami providing travel planners and buyers with direct exposure to the destination and its products (hosted 50 familiarization tours in 2003).

Strategy 2:

Design supporting programs designed to target a variety of *High-Value Customers* based on creating consumer and trade awareness and demand.

Tactics:

- To induce and facilitate summer/shoulder travel, conduct an annual Summer Festival Season sales blitz targeting in-state and national feeder markets (33 cities blitzed in 2003).
- Design and implement a Boutique Hotel Program representing approximately 100 Boutique Hotels in targeted sales blitzes as well as specialty trade and consumer shows such as film, fashion, entertainment and design events.
- Design and implement a targeted Cultural Tourism and Heritage Travel Program including hosting and facilitating familiarization tours, industry presentations and collateral support.
- Design and implement a targeted Gay & Lesbian Travel Program including participation in related trade shows, conferences and special events (14 programs conducted in 2003).

- Design and implement a targeted Shop Miami Program providing sales and collateral support for local shopping malls and outlets.
- Promote pre- and post-cruise visitor activity, working closely with Cruise Line International Association (CLIA), the American Society of Travel Agents (ASTA) and local cruise lines and the Port of Miami (hosted three CLIA conferences, two ASTA CruiseFest conferences and co-sponsored annual Sea Trade event as well as 15 pre- and post-cruise travel agent familiarization tours in 2003).
- Promote family travel to the destination by designing and distributing to travel buyers the annual Attractions Pass program.

2004 Media Relations Objectives

Objective One: **Influence consumer perceptions about Miami as a fashion-forward, tropical and cosmopolitan destination of choice to the *high-value customer* through placement of editorial stories in a variety of consumer and travel media outlets.**

Strategy 1:

Direct an informative, targeted press release schedule of 40 GMCVB press releases, alerts, advertorials and industry releases which reinforce the brand.

Tactics:

- Provide the most up-to-date, positive information to all audiences with “What’s Happening” press releases on a regular basis.
- Utilize press releases to highlight travel trends, events, new developments, financial news, festival information and other news in a timely, accurate and targeted fashion.

Strategy 2:

Reach out to key consumer travel editors, contributing editors and freelance writers who represent major publications within our target markets which reinforce the brand.

Tactics:

- Host at least 130 travel editors/writers on a one-on-one basis throughout the year.
- Host at least 17 media tours from key feeder markets, each tour themed after niche pitches and featuring multiple media.
- Leverage select niche events such as the South Beach Wine & Food Festival, Calle Ocho, Gay & Lesbian Film Festival and Art Basel to bring in media to cover the destination.
- Personally visit key markets to present the message and products to consumer and trade media.
- Service at least 2,000 media inquiries seeking editorial, logistical and collateral support.

Strategy 3:

Host at least 25 production crews from major broadcast and cable networks and 10 live radio broadcasts from the destination, plus any additional promotions.

Tactics:

- Conduct outreach with producers and travel correspondents at national, regional and cable news programs as well as key drive market affiliates, to develop destination feature stories.
- Pitch Miami coverage to locally based Latin American media giants such as Univision to assure optimum cost effectiveness.

- Research and pitch syndicated and regional radio shows/TV programs to broadcast live from Miami throughout the year, with special emphasis on summer visits where possible to help boost summer business.

Strategy 4:

Publicize and promote new developments for the community.

Tactics:

- Identify the key person in each company for new developments and expansions.
- Maintain a current resource file on all new developments.
- Pitch key consumer media outlets in target markets.
- Provide ongoing updates to key media on destination news and developments through a series of press releases and postcards showcasing diverse “slices” of the product, from the beaches, to gaming and golfing, dancing, dining, shopping and spas (i.e. What’s New release).
- Work with trade media in relation to retail development, architectural development and financial issues.

Objective Two: Promote Miami as the preferred venue for meetings, trade shows and public shows to increase meeting business.

Strategy 1:

Direct a press release program promoting meeting facilities, development updates and new tourism products to targeted meeting planner publications.

Tactics:

- Identify and distribute updates regularly to appropriate trade media outlets (i.e. What’s New release).
- Develop an evergreen press release that Convention Sales managers can use as a sales piece.
- Ensure that press releases on the web site are current and accurate.
- Develop advertorials for key meetings trade magazines to be used to leverage additional publicity from advertising or accomplishments.

Strategy 2:

Publicize and promote new developments in Miami to meeting planners through meeting trade publications.

Tactics:

- Identify the key person in each company for new developments and expansions.
- Keep Convention Sales Managers current with updated What’s New releases via e-mail and the web site for use with clients.

- Include trade writers in media tours and sales familiarization tours, or host them for individual visits in conjunction with the Convention Sales Department where appropriate.
- Approach major business and consumer media on the positive economic impact of meetings and conventions and how new developments make the city more attractive to meeting planners and attendees.

Strategy 3:

Provide advertorial content to trade publications.

Tactics:

- Work with convention development to develop specific story angles that are best suited for each publication and date.
- Maintain a current inventory of advertorials regarding those story angles.
- Invite key editors and writers from meetings publications to visit Miami.

Objective Three: Increase awareness of Miami as a visitor destination for the multicultural or niche traveler through targeted media placements.

Strategy 1:

Target the following multicultural and lifestyle markets: African-American, Hispanic, Gay & Lesbian, Family, Arts & Culture, Food & Wine, Eco-Tourism, Shopping, and Film/Fashion & Entertainment.

Tactics:

- Conduct media visits with niche publications and broadcast outlets, focusing on activities in and around areas that will interest consumers in these target markets.
- Develop specific consumer travel information for each market in the press kit.
- Maintain current key press releases in Spanish and other appropriate languages on the web site and paper media kits.
- Where appropriate, use leaders in those areas as destination spokespeople

Strategy 2:

Develop and maintain multicultural press releases on the online media kit.

Tactics:

- Develop, distribute and post releases on the web site that target these niche areas.

Strategy 3:

Pitch multicultural and niche media in key markets.

Tactics:

- Work with the PR agency to identify and pitch key media.
- Maintain updated databases of targeted media.
- Provide story angles to Univision, BET, Tom Joyner and other major multicultural media as well as other niche outlets.
- Host writers from key publications or broadcast media within the target markets, wherever possible tying in local events which reinforce the brand.

Objective Four: Continue to update the media kit on paper and online to reflect new marketing themes and destination developments.

Strategy 1:

Incorporate new images and B-Roll into the online media kit.

Tactics:

- Work with the PR agency and PR Committee on an ongoing basis to update the media kit where appropriate.
- Work with Marketing Services to streamline photography and obtain new images and footage.

Strategy 2:

Update the press kit contents to reflect the new branding.

Tactics:

- Work with the PR agency, taking media comments into consideration, to determine any changes to the new media kit on an ongoing basis.
- Continue to revise or write new press releases and feature stories which reinforce the brand and cater to the various niche markets.

Strategy 3:

Maintain the online press kit.

Tactics:

- Work with the web master on an ongoing basis to make sure the kit is as updated and user friendly as possible.
- Work with the PR agency and PR Committee on an ongoing basis to determine the content to include online.

Objective Five: Implement an improved system of monitoring and managing clippings and media contacts.

Strategy 1:

Enhance the clipping management to offer more details on impressions and media value where available.

Tactics:

- Increase commitment with Burrelle's clipping service to include monthly clip value analysis.

Objective Six: Implement media missions in key markets to pitch positive stories about the destination.

Tactics:

- Conduct at least 12 missions in key markets. Develop or leverage events in key feeder markets and invite top media (i.e. GMCVB's annual NYC media event or the recent New World Symphony performance at Carnegie Hall).
- Where appropriate, partner with GMCVB members to help sponsor these events and raise the profile of the destination.
- Conduct individual media calls while in these cities to pitch destination updates.

Objective Seven: Monitor with PR agencies and partners any issues which may impact positive publicity about the destination.

Tactics:

- Work with PR agency on appropriate responses to negative stories about the destination.
- Work with industry partners such as Visit Florida and TIA to stay on the same message points on issues where appropriate.
- Keep members informed about the GMCVB position to keep the media message unified.

2004 Consumer Marketing Objectives

1. Increase visitor bed tax and sales tax through optimum occupancy and highest possible room rates.
2. Continue to develop and implement a brand image. Educate high-value consumers about the diversity of the destination.
3. Enhance the GMCVB's website as an outreach, fulfillment and sales and conversion tool.
4. Develop and maintain strategic alliances for efficiency and expanded revenue/resources.
5. Collect more data about the County's market position.

Primary Target:

The primary target visitor for Miami-Dade County is a sophisticated, well-educated, affluent consumer who is looking for the opportunity to experience Miami's unique variety of activities and to return with stories to tell about the uniqueness of Miami.

- Ages 25 to 54, with emphasis on 25-44.
- Highly educated.
- Above average income.
- Active lifestyle, fashion-conscious.
- "High-energy Socialites."
- "Tropical Relaxers."

Primary Geographic Targets:

1. Northeast corridor of the United States and Canada (a line drawn northward from Baltimore through Philadelphia and New York and up to Toronto).
 - Heavy emphasis on New York.
2. South Florida drive markets (including Miami-Dade County) for summer and neighborhood promotions.
3. International
 - Sophisticated cities in Latin America.
 - Key markets in Europe.

Objective One: Increase visitor bed tax and sales tax.

All programs undertaken should include an objective designed to increase ADR and occupancy performance.

Objective Two: Continue to develop and implement a brand image. Educate *high-value consumers* about the diversity of the destination.

To continue to produce the optimum program for tourism results requires the continued employment of the community-wide branding initiative that is both memorable and effective in building new destination awareness and resulting business.

This marketing communications initiative will continue to strengthen the selling cycle, assisting the movement of the potential customer through the travel decision process of:

- Creating positive customer awareness of the destination.
- Producing stronger visitor interest.
- Stimulating consumer desire.
- Combating inroads from competing destinations.
- Ultimately assisting in the customer's action decision to visit.

The Brand:

Branding or brand identity is the total sum of the words, images and associations that form the customer's perception of the destination.

The brand, therefore, is the conveyed personality of the visitors' experience. It is the promise, the link, or the bridge between the customer and the visitor product.

Although the GMCVB cannot be responsible or accountable for every customer's perception of the destination, it should fulfill its role as a community tourism leader in crafting a brand development program that supports the industry through a fully coordinated, effective marketing communications plan.

Steps include the following (to be guided by research):

- **Define the Unique Selling Propositions** that separate the destination from the competition.
- **Produce and prioritize a series of motivational messages** for consumers and providers that address the positive visitor characteristics of the area.
- **Continue to craft Market Positioning** that separates the destination from competitors.

This program guides development of the GMCVB's array of collateral communications programs including direct mail, advertising, Web site positioning, media publicity programs, exhibits, etc.

To further strengthen the program, we should seek the proactive participation and exponential use from the destination's constituents in their own marketing communications delivery systems.

As part of this process, a clearly defined priority of message that will best motivate visitors from all market segments should be addressed. This is best accomplished through a process that generates communications recommendations from key staff and other community stakeholders to enhance the existing messaging.

Following this analysis, the conclusions could be tested through the use of *Promise Testing Groups* that ascertain the potential visitor's willingness to accept, and act on,

the presented messages. Next, communications messages would be added to existing messages for consistent use in ongoing communications vehicles:

- Web site
- Publications
- Direct mail programs
- Trade show displays
- Media publicity
- Advertising
- Sales solicitation programs, etc.

Finally, the creative platforms that result from the priority messages should be tested using Internet-based consumer procedures.

Strategy 1:

Continue to support the Tropical/Cosmopolitan image while creating an aspirational fashion image with influential people, trendsetters and others who will present the status of a Miami vacation to potential visitors.

Tactics:

- Present Miami's image in publications that influence the style-conscious and trend-setters.
- Use creative techniques (fashion photography, music video style videography, etc.) to present a Miami image different than most destinations.
- Look for partnering opportunities with fashion brands, restaurants and nightclubs.

Strategy 2:

Establish the area as a unique and desirable leisure destination within the travel planner community.

Tactics:

- Make presentations to reservation planners booking packages into Miami.
- Demonstrate vacation opportunities available in Miami that are not available elsewhere. Feature a unique mix of entertainment options including:
 - Shopping
 - Nightlife
 - Two national parks
 - Multicultural opportunities
- Attend travel planner shows as appropriate.

- Create road show for presentations at Travel Planner offices.
- Develop unique itinerary suggestions to attract more diverse visitors.

Objective Three: Enhance the GMCVB’s website as an outreach, fulfillment and sales and conversion tool.

Our website should be the central “meeting place” for all inquiries about a trip to Miami-Dade County.

- Search engine hits should be optimized.
- Data collection from visitors to the website must define the various profiles of our visitors and help to continually refine the marketing campaign to meet specific needs.
- The site must tell the full Miami story in order to reinforce the brand image and support various neighborhoods and sub-brands.
- The site must tell the full Miami story in order to provide all the information visitors need to make informed decisions for their visit.
- The website should provide purchase and conversion opportunities.
 - Online booking
 - Ticket purchase for events, attractions, etc.
 - Restaurant and show reservations

Strategy 1:

Establish friendlier consumer and travel planner web pages.

Tactics:

- Optimize the site.
- Establish a permission-marketing program to boost registered users.
- Continue to obtain new e-mail addresses through collection at on-site promotions.
- Send quarterly e-newsletter to consumer database.
- Implement “free gift” booking incentive for booking hotel rooms.
- Monitor other travel related websites for advertising promotional opportunities.
- Monitor competitive websites for best practices.
- Develop a travel planner section.
- Send quarterly newsletter to travel planner database.
- Offer itinerary suggestions for 2-3 day and 6-7 day trips.

- Present Pre- and Post-Cruise program opportunities.

Objective Four: Develop and maintain strategic alliances.

- Developers.
- Private funding sources.
- More co/op programs specifically tailored to:
 - Golf
 - Spa
 - Attractions
 - Boutiques

Objective Five: Collect more data about the County's market position.

Membership

Mission Statement:

The mission of the Membership Partnership Program is to establish a core base of Bureau members to provide visitors and convention attendees with a broad base of services. Furthermore, the program generates vital private revenue and support of GMCVB operations. The Membership Division provides partners with key benefits, services and marketing opportunities as well as leveraging marketing initiatives for the GMCVB.

2003 Achievements:

- Realized an 80% retention rate from 2002 going into 2003.
- As of September 30, 2003 a total of 215 new partners joined the Bureau's Membership Partnership Program (exceeding the annual goal).
- Hosted over 1,800 partners at 14 different member partnership functions through 2003.
- Expanded multi-department features in the "What's Happening" and "Member" Newsletters to enable immediate communication with partners via e-mail.
- Increased e-mail addresses on file for partners from 40% of all members in October 2002 to now include 65% of all members in July 2003. This is an ongoing process that will continue in 2004.

2003 Goals-Membership:

- Generate \$180,000 in new member revenue through an aggressive recruitment effort with a focus on the marketing subcommittees established this year.
- Retain the vast majority of the current membership base resulting in a net new and renewal revenue goal of \$1,331,400.
- Execute a Program of Work designed to foster active participation between the Bureau and its members as well as the active promotion of member products and services.
- Continue to support the expansion of the Bureau's use of Internet and website technologies to provide additional marketing opportunities for GMCVB members and partners.

2004 Membership Objectives

Objective One: Recruit new member partners by making area businesses and organizations aware of economic advantages of the program.

Strategy 1:

Utilize sales blitz campaigns throughout the year to reach out to prospective partners.

Tactics:

- Coordinate sales outreach efforts with printing of pertinent publications to use as leverage.
- Send at least 350 direct mail letters as initial outreach to targeted potential partners.
- Schedule a minimum of 250 one-on-one meetings with potential partners throughout the year.

Strategy 2:

Review current benefits and services offered to membership partners and implement changes making the partnership program appealing to a targeted range of businesses.

Tactics:

- Evaluate benefits and services offered in each partner classification to ensure benefits and services will meet the needs of potential partners.
- Attend conferences and seminars directed at GMCVB membership to obtain information on new ideas and tactics used by industry.
- Continue evaluation throughout the year; recommend additional changes in November 2004 for the 2005 package.

Strategy 3:

Develop new inserts and forms for the solicitation package that are accurate, eye catching and easy to read.

Tactics:

- Present fee schedule in chart format allowing a quick comparison of benefits and services between classifications.
- Revise current solicitation package to utilize colorful and eye catching letterhead, fliers and forms.

Strategy 4:

Continue to recruit minority owned businesses as marketing partners.

Tactics:

- Survey key Greater Miami businesses as to their multicultural marketing efforts.
- Provide added value through links from multicultural page on website.

Strategy 5:

Attend community luncheons and other functions to network with potential partners.

Tactics:

- Using reciprocal memberships with various community groups get on mailing list to be notified of functions and events.

- Attend five community functions throughout the year as appropriate.

Objective Two: Retain 85% of base partners in the coming year.

Strategy 1:

Evaluate and implement changes, where feasible, to current benefit and services package offered to partners, to enhance the value of partnership participation.

Tactics:

- Each member of the membership sales team (four in total) will speak with approximately 12 existing partners on a weekly basis to discuss their needs and evaluate the GMCVB's performance as to benefits promised.
- Host 2-3 educational seminars and programs for partners during the year.
- Expand advertising and marketing opportunities for partners on the web site and in printed material.
- Review major and minor category choices to improve web site listings, making visitor searches easier and more accurate.
- Encourage membership partners to ask how visitors found them and include this as a question on the survey.

Strategy 2:

Maintain open communication with members at all times to encourage their active participation in partnership programs and marketing opportunities.

Tactics:

- Send "verification of information" request to partners at least twice a year to coincide with printing of publications.
- Include a reminder in a monthly mailing of benefits and services available to the partners.
- Use "What's Happening" and "Member" Newsletters to educate partners about the benefits of the web by providing them with statistics on unique users per month and the benefits of participating in the various web-based marketing programs the GMCVB provides.
- Educate members about the new brand image and the markets the Bureau is pursuing to encourage community buy-in.
- Notify partners of scheduled activities in a timely manner with follow-up reminders close to the date of the event/function.

Strategy 3:

Evaluate the current New Member Orientation Program and re-design with the goal of educating partners on how to use the materials the GMCVB provides to them to ensure they get the maximum value from the program.

Tactics:

- Create an introduction that summarizes the Bureau's functions, primary markets and new brand image to educate new partners about our direction.

- Focus on how partners and the Bureau work together rather than speaking about what the staff does and what our mission statements are.
- Determine which departments should have representatives at the orientation to give the partners the best advice on benefits and services they provide.
- Provide sample packets of information and forms that will be sent to them throughout the year, and have slides during the presentation that explain what they are and how they can be used.

IV. Accountability: Performance Measures and Return on Investment

Introduction:

The GMCVB commissioned Marshall Murdaugh Marketing to develop a comprehensive state-of-the-art industry Return on Investment (ROI) model to monitor and quantify economic impact results of the GMCVB's marketing programs on behalf of the community.

These recommendations incorporate ROI methodologies, benchmarking and additional supportive and evaluative recommendations for GMCVB market and marketing research.

In addition, a separate directional plan to secure foundation funding was provided for exploring the opportunities for grant development to fund hospitality training, signage, web enhancement, package tour development and relevant cultural programs.

ROI Plan Deliverables

This program is intended to enhance GMCVB operations and ultimately the economic productivity of marketing initiatives for the greater good of the entire community.

It provides the most effective method for producing a broad-based, ongoing statistical analysis of the significant, measurable incremental economic returns to the community from the resulting delivery of productive tourism marketing initiatives of the GMCVB.

This program is arguably the state-of-the-art model for ROI throughout the destination management/convention and visitor bureau industry.

The plan measures the dollar return to the community from visitors who have been motivated by the GMCVB to come to Miami. Specifically, it includes the estimated number of incremental visitors influenced, along with their economic impacts in terms of hotel room night generation, total estimated visitor expenditures made during their stays, and resulting tax revenue provided to the community and state.

The ROI Plan requires, whenever possible, all economic impact results to be provided by independent third party analysis to ensure reliability and confidence throughout the community.

It is important to note that while this Return on Investment impact is substantial, it is but the tip of the proverbial iceberg.

Since its inception, the Bureau has been at work delivering sales and marketing programs that produce long-term equity in the marketplace for Miami – umbrella advertising, media publicity and sales efforts on a worldwide basis that, albeit difficult to fully

quantify, have stimulated substantial positive visitor awareness, interest and ultimately, millions of new visitors that provided incremental business to the tourism industry.

Also included in this report are recommended research initiatives for enhancing future marketing efforts. And a research model is provided for community use in valuing the economic impacts of events.

These recommended methodologies are intended to provide broad-based direction and will be thoroughly evaluated during the GMCVB's 2005 budget and goal-setting process in the third and fourth quarters of 2004. Each may require additional adjustment and refinement before implementation from third party research firms. Also, the staff's research findings regarding average visitor trip expenditures, party size, etc., needs to be input for each formula. Thus, estimated economic impacts in this report are intended merely as desired outcomes.

The Bureau Value Statement:

After this model ROI Plan is developed and estimates are made, the incremental value of quantified tourism contributions made by Bureau marketing to the community should approximate a quantifiable value statement like:

"Last year, operating with an \$18 million dollar marketing budget, the GMCVB produced new advertising, web site and convention/leisure tourism sales programs that generated an estimated 478,000 incremental visitors, producing \$412 million in new out-of-town visitor spending from leisure visitors and future conventions booked, and filling 735,000 room nights. Thus, for every marketing dollar invested, it produced a twenty-three-to-one return for the community. This visitor spending also produced about \$41 million in state and local tax revenue and generated or sustained employment opportunities for more than 5,000 local residents."

Principal ROI Program Components:

The principal programs currently recommended for annual measurement of ROI, along with the evaluative criteria and techniques used for each, include:

- **Conventions/Meetings:** Annual conventions booked (produced) for the community by the sales staff, including anticipated convention delegates/visitors, room nights produced, and the delegates' total estimated visitor receipts while in Miami.
- **Advertising:** The medium's conversion of consumer interest to new visitors, hotel room night generation and estimated visitor receipts for the community. Traditional and non-traditional models are included.
- **The GMCVB Website:** The portal's results in producing new visitors, hotel room night reservations, and estimated visitor receipts for the community.

- **Tourism Sales:** The Bureau's global program impact in converting new or renewed visitors, and resulting estimated visitor receipts for the community.

As a result of these program analyses, the Bureau will be able to report the total estimated dollar ratio of return from each marketing/sales dollar invested for the Greater Miami area.

In addition, local and state taxes paid by visitors to support the economy and local jobs generated and sustained from this visitor spending can be extrapolated for reporting purposes.

Measuring Other Bureau Marketing Benefits for Miami:

Two other major bureau programs – while unable to quantify specific and measurable direct ROI – are significant for the contributions they make to the local tourism industry and require reporting subordately with the ROI information. They are:

- **Media Publicity Generated:** The worldwide initiative should report the total number of positive media impressions made by the Bureau through its proactive publicity efforts that reach millions of people annually, producing top-of-mind awareness of the destination, and ultimately persuading untold numbers of consumers to visit Greater Miami. The dollar value of this media coverage, as measured in the related cost of advertising in lineage inches and broadcast exposure, is also significant and should be tracked and publicly reported.
- **Bureau Partnership Alliances Created:** Those business partnerships that leverage bureau marketing resources, along with the in-kind services and financial/manpower resources provided by businesses to support tourism efforts should be noted, nurtured and expanded whenever practical.

Timelines

Some ROI program results can be returned within a three-month period. The comprehensive analysis can be delivered within a 12 month period and should be continued thereafter.

Major Productivity Programs for Return on Investment Analysis:

Program 1. Conventions Booked: Annual number of conventions produced for the community by the sales staff, including anticipated convention delegates/visitors, room nights produced and the delegates' total estimated visitor receipts while in Miami.

This information is now being assembled, analyzed and provided by the Convention Sales Department.

Each convention's meeting planner provides the estimated number of anticipated room nights to the Bureau. Then the numbers are validated, based on Miami hotel contracts, as well as the past history of each organization as provided by the Meetings Information

Network System (MINT) of the International Association of Convention and Visitor Bureaus (IACVB). This system requires that other IACVB cities that have hosted the convention in the past five years, provide actual room pickup totals to the MINT Report, which is then made available to Miami.

The Miami Bureau then determines the estimated total economic impact of convention delegate visitor stays, based on an industry formula developed by IACVB. This methodology is considered quite conservative; it is based on current dollar cost estimates, rather than applying inflationary factors for future convention expenditures.

Current Annual Conventions Booked Results:

“Four hundred forty-six future conventions booked by the Bureau for both the Convention Center and individual hotels, will produce an estimated 344,000 delegate visitors, filling an estimated 428,093 hotel room nights throughout the community and providing total delegate spending in Greater Miami of an estimated \$208 million.”

This analysis should continue to be made monthly and annually, and incorporated in new annual ROI Reports.

Program 2. Advertising: The Bureau’s ad program that converts consumer interest to actual new visitors, hotel room night generation, and new estimated visitor receipts for the community.

Although this analysis is not currently available, the Bureau has wisely incorporated a toll-free number and the website address in all advertising, providing measurement response mechanisms for future evaluation.

For the potential use of future research, there were 26,770 phone calls made to the call center last year, and the web reports 394,096 web users, which have produced about 35,000 registered users who have signed up for additional information.

Analysis Implementation

A recognized third-party independent research company can provide consumer conversion analyses.

The firm of Alan Newman Research is recommended. The company has extensive background in work for the tourism industry, provides a qualified approach and can meet sole source requirements for this work. Recent clients include Visit Florida Tourism, the North Carolina Division of Tourism, Walt Disney Parks and Resorts On-line, etc.

The firm would contact phone respondents via phone and Internet respondents via email, with a lapse of about six months since their calls to receive information on Greater Miami.

Respondents would be queried on whether they came to Miami, and other relevant information including party size, length of stay, type of accommodations, etc. From this data, trip expenditures could be extrapolated by Bureau staff research.

Anticipated Annual Results

With more than 25,000 call center customers and another 35,000 registered web users for a universe of about 60,000 inquirers – who subsequently received visitor travel information about Greater Miami that stimulated their interest to visit – it would not be unusual for actual travelers to have been motivated to visit Miami at the average industry conversion rate of 35 to 40 percent.

This would mean that the ad program could have produced in the range of 21,000 to 24,000 visitor parties last year. By applying an average visitor party expenditure figure of \$2,000 and a three-night stay, this would have produced between \$42 million and \$48 million in estimated new visitor receipts for Miami, and generated between 63,000 and 72,000 room nights.

Anticipated Traditional Advertising Results:

Current results that would be verified by conversion research may conclude that:

“An estimated 22,000 visitor parties, who were among the millions who saw Bureau advertising last year, requested information and were motivated to actually visit – spending an estimated \$44 million here and generating more than 67,000 hotel room nights throughout the community.”

Thus, for every ad dollar expended on the GMCVB’s \$5 million campaign, it produced about a \$9 to \$1 return in visitor receipts.

This analysis should be conducted now and every three years, and the formula applied annually to verify positive yearly ROI impacts from the ad program.

The cost for this study is in the \$20,000-\$30,000 range, certainly a modest and appropriate research investment for the multi-million dollar annual ad program.

Non-Traditional Advertising

The GMCVB should investigate a new ad medium that guarantees the delivery of new visitors via the Internet and can fill special short-term needs, such as summer travel.

Developed by Ebrains of metro Washington, DC, the alternative ad initiative is being used today by about 50 cities and states. The Orlando CVB, for example, first tested the concept with a limited toe-in-the-water investment. Due to dramatic results achieved in producing significant volumes of new visitors, Orlando’s bureau has spent \$300,000 this past year on the program.

Ebrains has negotiated arrangements with about 100 major national tourism related websites, such as greeting cards, map/information services, etc.

When visitors request an offer on one of these sites, the destination's message then also appears and visitors are invited to inquire. Consumers opt-in to receive destination information, but are screened to ensure tourism destinations that they are only receiving qualified inquiries. Then consumers are sent travel information and the names are then "owned" by the destination for potential repeat mailings.

Destinations purchase the service based on the cost per inquiry. For a \$25,000 fee, Ebrains guarantees about 5,050 highly qualified inquirers at a cost of \$4.95 each. Fully 30% of these inquirers are then guaranteed to convert to actual visits. Ebrains also provides an independent third party conversion analysis to confirm visitors generated and their economic impact spending results.

Anticipated Non-Traditional Advertising Results:

Economic impact visitor results for this program that would be verified by conversion research are anticipated to confirm that:

"An estimated 1,515 visitor parties who were attracted to Greater Miami through quick turnaround website marketing initiatives were motivated to come during the slower summer period – and spent an estimated \$3 million, while purchasing about 4,545 hotel room nights throughout the community. For every dollar spent on this program, it generated about \$121 in visitor receipts."

For every dollar expended on this effort (\$25,000 investment), it would provide about a one hundred-to-one return for the community.

Again, the room night estimates and dollar volume expenditure will be determined by the actual conversion study.

It is recommended that an initial \$25,000 effort be initiated by the Bureau, which includes the conversion analysis to track results. Pending anticipated success, additional ad funds should then be reallocated to take advantage of special opportunity marketing, anticipating periods of visitation downturn, etc.

Program 3. The GMCVB Website: The portal's results in producing new visitors, hotel room night reservations, and estimated new visitor receipts for the community.

Hotel Booking Results:

Results for the direct booking of hotel rooms via the website have been minimal, producing just several hundred room nights annually.

However, the website has actually been a positive factor in producing web bookings for area hotels when the consumer bypasses the bureau's booking engines and goes straight to properties that are directly linked to the site.

According to a recent analysis of the Bureau website by USDM.NET, the technology provider to the International Association of Convention and Visitor Bureaus (IACVB), an estimated 10,000 hotel reservations were made in this way during the past 12 months.

Current Annual Hotel Booking Results:

By incorporating an average length of stay of three days from the leisure market, and an average of \$2000 per party visit, a major benefit should be attributed to the Bureau as follows:

“An estimated 10,000 Visitors to Miami who were motivated by the Bureau’s website, booked more than 30,000 visitor party room-nights with area hotels this past year and contributed an estimated \$20 million in visitor receipts.”

While this is a viable and important economic impact, it pales in comparison to much more significant benefits provided by an enhanced website portal for Miami and the GMCVB, as outlined next.

Producing New Visitors Via the Web:

The GMCVB is now embarking on a significant marketing initiative to optimize its web site to draw much higher volumes of potential visitors and actually convert them to visitation.

A major component of this plan is a “My Miami” permission-marketing component, where web site visitors request periodic updates and new information on their personal travel interests.

This tactic has a track record of exponentially increasing destination awareness, interest and desire to visit. It produces a large universe of new registered users that have the potential to convert visitors at a significantly higher rate than traditional methods.

The industry leader in this field is USDM.Net, which has produced viable programs for many of the top bureaus throughout the industry, including Las Vegas and Atlanta. And their conversion rate of destination visitation, through website registered users, is currently in the astounding 60-80% range.

They project that this program for the GMCVB will produce an estimated 100,000 new registered users in the next 12 months, and that these visitors will convert to actual visitation for Greater Miami at about 70% – or an estimated 70,000 new visitors during the first year.

Anticipated Hotel Booking with Web Initiative Results:

By developing this new web initiative, and using average party expenditures of \$2,000, this would provide one of the Bureau’s most significant programs of productivity on behalf of the community as follows:

“An estimated 70,000 new visitors were motivated to visit Miami last year through the Bureau’s website, contributing an estimated \$140 million in new visitor receipts and filling about 210,000 additional room nights for area hotels.”

This program should be implemented and monitored for success in producing additional user sessions and new registered users. And USDM.Net should develop a full conversion analysis annually to track and report ongoing success.

Special note: The conversion from existing web registered users, web hotel reservations and future website results may not be mutually exclusive and must be analyzed in this regard, rather than just adding them to the total ROI for future years.

However, when the 100,000 anticipated new registered users are added to the existing 35,000 and the Bureau website is optimized for success factors, the conversion rate will significantly increase. Thus, its impacts on visitation and travel expenditures should greatly exceed all current estimates.

Program 4. Tourism Sales: The Bureau’s global sales force reach and convert new or renewed visitors, resulting in estimated visitor receipts for the community.

Interfacing with tour operators to produce sales leads and potential new and renewable business for Miami is an important Bureau initiative. But in the ROI Analysis picture, its economic results may be comparatively less. A two-tiered approach is recommended for the evaluation of efforts that lead to Return on Investment results.

Year One Analysis:

Initially, it is recommended that the staff evaluate all future sales leads – and possibly those previously produced – estimating their individual economic impact potential for the community.

This estimate should be based on the actual tour operator requirements and specifications, including number of estimated participants and attendant room nights that would be produced by the leads if converted into actual business.

This information would be then provided in monthly and annual report totals as:

- Estimated value of tour operator sales leads in new visitor business for Miami.

Year Two Analysis:

The results of the past year should then be analyzed for total estimated impacts. And a new evaluation step should be introduced, by having a staff member call tour operators within a three to four month period after the dissemination of each sales lead to determine what actually converted as a booking. The Bureau can then assign appropriate economic impacts for each converted lead, based on the tour operator’s information.

If it is determined that this program is not cost effective because it requires substantial labor-intensive evaluation, 20% of all leads may be randomly selected for conversion analysis and the results extrapolated to the total universe of leads generated.

In any case, minimal measurement of this ongoing effort should be introduced to review the benefits of this million-dollar marketing initiative for the community and its tourism business partners. Here in abbreviated form are the anticipated major results:

Conventions Booked:

- 446 for the future.
- An estimated 344,000 delegate visitors.
- 428,000 estimated hotel room nights.
- \$208 million dollars in total delegate spending.

Web Hotel Bookings:

- 10,000 Visitor parties or 20,000 actual visitors.
- Booked more than 30,000 room nights.
- \$20 million dollars in est. visitor receipts.

Bureau Website (for future):

- Delivered 70,000 new visitors.
- \$140 million dollars in estimated new visitor receipts.
- 210,000 room nights.

The Bureau's New Value Statement:

As a result of these Program Analyses (incorporating leisure tour sales for the future) the Bureau will be able to report the total estimated dollar ratio of return from major programs delivered for the Greater Miami area as follows:

"Last year, operating with an \$18 million marketing budget, the Greater Miami Convention & Visitors Bureau produced new advertising, web site and convention/leisure tourism sales programs that generated an estimated 478,000 incremental visitors, producing \$412 million in new out of town visitor spending from leisure visitors and future conventions booked, and filling 735,000 room nights. Thus, for every marketing dollar invested, GMCVB produced a twenty-three-to-one return on investment for the community."

Few, if any, business enterprises can match these business return on investment benefits.

Taxes Produced, Jobs Delivered:

In addition, local and state taxes paid by these visitors to support the economy can also be extrapolated, along with jobs generated or sustained. It can be added to the value statement that:

“This visitor spending also produced about \$41 million in state and local tax revenue and generated or sustained employment opportunities for more than 5,764 local residents.”

A 10% state and local tax average on \$412 million would produce an estimated \$41 million in state and local taxes. In addition, the Travel Industry Association of America currently estimates (2002) that a local job is generated or sustained for every \$71,478 in tourism visitor spending. Thus, an expenditure of \$412 million would generate or sustain about 5,764 local jobs.

Dissemination of the Value Statement

This is a powerful statement in fostering a strong reputation for the Bureau’s work and response to its mission statement.

It should be used prominently for the Bureau’s annual report, marketing plan and other purposes such as a subordinate message at the end of Community Relations press releases, member newsletter, etc.

The supportive detailed methodologies that validate this statement should always be readily available for inquiry.

ROI Measurement Costs

The estimated start-up costs to execute this program, excluding web site optimization, are minimal:

- Ad conversion analysis – \$20,000-\$30,000 (with analysis repeated in three years).
- Burrelle’s ad value analysis of print publicity – \$2,400 annually.
- Reallocation of ad budget to fund \$25,000 Ebrains Internet initiative.
- Staff manpower requirements to analyze the value of tour operator leads.

Other Potential Opportunities For Delivering ROI

Tourism Event Marketing:

Special cultural events, such as long-term theater offerings and blockbuster art exhibitions, provide a strong potential for maximizing visitor impacts. And a major Bureau alliance with tourism business partners, including credit card companies, can assure success and evaluate it as well.

One example is Los Angeles' recent launching of several cooperative marketing programs with American Express. The latest was their "Get a hotel room and Lion King ticket" campaign. According to American Express estimates, produced using cardholder expenditure data, an estimated 33,000 visitors participated in the campaign and spent in excess of \$128 million.

Based on past reviews of comparable programs, it can be reasonably assumed that at least 70 percent of these visitors, and related expenditures, were indeed motivated by this campaign. This provided benefits to Los Angeles in new visitation of at least 23,000 visitors and an estimated \$89.6 million in visitor revenue. Similar concepts can be explored for Miami.

Measuring and Valuing Other Important Bureau Marketing Benefits for Miami:

Two other major Bureau programs (Media Relations and Membership), while unable to quantify specific and measurable direct ROI, are significant for contributions they make to the local tourism industry and require annual reporting:

1. Media Publicity Generated: The worldwide initiative should report the total number of positive media impressions made by the bureau through its proactive publicity efforts that reach millions of people annually, producing top-of-mind awareness of the destination, and ultimately persuading untold numbers of consumers to visit Greater Miami.

This however, is not an easy task. The Google search engine can report all mentions of "Miami tourism," for example, but it does not incorporate photos, which are significant portions of publicity generated by the Bureau, the actual size of the article, nor does it include non-print media.

Burrelle's Media clipping service provides numbers of articles and their circulation (or readership). But clipping services can miss up to 50% of all editorial placements.

As to the value of Public Relations and Travel Publicity, members of the Society of American Travel Writers have anecdotally reported that the value of publicity is three times that of advertising because it is produced by independent third party sources and not paid for by the destination. But there are no recognized research conclusions to support this belief.

Still, there is great industry recognition and acceptance for the inherent value and reputation of editorial media coverage in producing top-of-mind travel publicity that positively affects visitor decisions. And the GMCVB has one of the country's most effective programs at work developing this important coverage.

Evaluating Media Publicity Success:

The staff estimates that last year it produced media publicity coverage that totaled about 650 million impressions through TV, radio and print. In comparison, Bureau advertising reach was estimated at about 37 million.

However, this burgeoning potential audience, as measured in print media circulation, viewing and listening audiences of the various media, cannot be classified as actual viewers or listeners – only as potential audiences.

The staff should continue to evaluate its media publicity success through Burelle’s clipping service and supplement the analysis by purchasing Burelle’s evaluation of the value of bureau coverage based on what this publicity would have cost if purchased in advertising lineage rates. According to staff management, this service will add about \$200 a month to the contract, a worthwhile investment for the Bureau.

The staff should also begin to estimate its annual goal for publicity development audience reach (as delivered in viewing audience, print circulation and listenership). Then the ad equivalent evaluation can be added at year’s end to track the value of the publicity. (Current estimates for advertising equivalent cost are now in the \$20 million range).

Add this supporting statement to the value statement:

“The bureau produces strong top-of-mind publicity about Miami and its diverse visitor appeals through its worldwide media relations program that produced publicity coverage exceeding 650 million positive impressions on TV, radio and print media. (If purchased in equivalent ad costs, this media coverage would be valued at \$ ____).”

2. Membership Benefits: The Bureau’s membership program does so much more than just produce member dues revenue. Membership fosters Bureau partnership alliances that leverage Bureau-marketing resources, along with the in-kind services provided by businesses to support tourism efforts. They should be noted, nurtured and expanded whenever practical.

The dollar value of Bureau member program support for advertising, sales initiatives, along with in-kind services for familiarization program support for customers, is in the \$ ____ range.

The total amount, including member dues, statement follows:

“ ____ Miami tourism businesses today provide more than \$ ____ in annual financial support to leverage new bureau marketing efforts. This is in addition to direct revenue from visitors who stay in hotels and pay lodging tax that is reinvested in tourism marketing to produce new visitors”.

Other Tracking and Program Evaluation Methods

A number of marketing research methodologies were reviewed with senior management for evaluating and creating advertising, measuring customer awareness/interest to visit, and delivering consumer perceptions about the destination. They include:

- **Ad Campaign Awareness/Brand Effectiveness Studies:** E-mailed to a projectable sample of those meeting the demographic profile of Miami leisure visitors.
- **Specific Ad Testing:** It tests ad impact, customer empathy, copy points, brand retention, etc.
- **Destination Strengths/Weaknesses:** Provides a profile of major visitor benefits and challenges based on a projectable e-mail survey.

Each of these surveys can be designed and produced in the \$8,000-\$12,000 range. Equation Research is a recommended supplier.

- **Ad Development Testing:** A directional process employs focus groups, sometimes of both visitors and non-visitors, to review approaches, gauge destination awareness and develop consensus on the priority motivational messages, benefits and appeals of the destination that should be the focus of communications efforts. Costs for two focus groups, analysis, video of the sessions, and expenses usually are in the \$10,000-\$12,000 range. Alan Newman Associates is a recommended supplier.

Making Advertising Work Harder

Another proven method of research, designed to strengthen ongoing ad efforts, is to measure ad interest based on inquiry returns.

Here, two identical ads are employed, except that one of them incorporates a different element or approach. That new element, for example, may be a different motivational appeal delivered through a photo, or a copy block containing sensory destination appeal allure copy.

Both ads employ the same call to action, but use different call center toll-free numbers to track reader response.

Then the ads are run in publications that can allow every other reader to receive either the first or second ad. If one ad significantly outdraws the other ad in raw inquiries, this indicates the ad concepts relative winning advantage and strength in producing customer awareness, readership and interest.

The Benchmarking Process

Measuring Bureau Performance and Resulting Success:

To consistently measure its ongoing success, the Bureau should institute a comprehensive monthly and annual analysis of all activity and productivity.

This report becomes the Bureau's mirror. It is the measurement response to the agency's mission statement. It is singularly the most important tool used for measuring ongoing bureau performance. It should also be employed as the genesis for developing the Bureau's goal-setting process (forecasting the pre-determined delivery of Bureau productivity measurements).

The document should report categories by month, compared to the previous month; and year-to-date, culminating with an annual report that compares final results to past years' efforts.

This process and recommended deliverables have been reviewed with all senior managers at the Bureau and there is agreement on everyone's ability to deliver and report all categories as provided herein. In addition, administration confirms the ability of the Destination 3000 software program to administer this report.

This report should be disseminated to all staff, portions drawn from to highlight the bureau's annual report, marketing plan and other communications programs for the community.

For background, the Bureau can better measure its ongoing success by consistently delivering and reporting:

- Promotional activity.
- Marketing productivity.

Promotional Activity includes such work as literature distributed, sales calls made and publicity releases issued. As more promotional activity is produced and targeted appropriately, over time, there should be corresponding increases in marketing productivity.

Marketing Productivity is the most important output. These business measurements include business booked and resulting room night revenue, hotel reservations made and resulting economic impacts, as well as other important indicators of the Bureau's successful selling efforts on behalf of the community. In all cases, Bureau productivity can and should be forecast and stated as goals to be delivered in the annual marketing plan.

The most important annual productivity measurements should be:

- **The number of conventions/meetings booked**, resulting room nights and economic impact.
- **New leisure visitors generated** via advertising impressions and web site registered users/inquiry conversion and resulting economic impact.
- **Tour operator group sales generated** plus potential economic impact.

- **Positive media publicity impressions produced** of credible travel stories to influence travel decisions and resulting dollar value in comparable advertising space costs.
- **Bureau member support**, including dues, alternate funding from business partners and additional non-dues revenue provided for expanded marketing initiatives.

These represent the key performance indicators to be reported at the Board level.

The Goal Setting Process

This comprehensive report above will deliver annual results that should then be used as the initial benchmarking step in developing goals for the upcoming year. This entire goal-setting process should be clarified in writing for the entire marketing staff.

There are numerous other resource reports that support the Benchmarking efforts. Some of the more important reports include:

- **Conversion Analyses:** To determine consumer visitation/response to major initiatives including advertising and web programs.
- **Lost Business Reports:** An annual analysis of convention business – based on lead generation and/or bid proposals and solicitation requests – that decides not to book.
- **Cancelled Business Reports:** An annual analysis of conventions cancelled following their confirmed booking with the Bureau.
- **In-kind Partnership Report:** An annual analysis of partnership and alliance financial support provided to the Bureau. A companion report should quantify the number of partnerships or alliances formed throughout the year, compared to past efforts.
- **Conversion of Sales Leads to Business Booked:** An annual assessment of how well the Bureau is doing in this major area that tracks activity to resulting productivity.
- **Convention Income Survey:** The method produced for quantifying the value of booked convention business used in the benchmarking analysis.
- **Convention Summary Reports:** Including actual room pick up and resulting economic impacts for the community.

Following the Monthly Marketing Report and the development of relevant productivity goals, Bureau management needs a quick way to analyze performance throughout the

year against each pre-determined goal. One method is through The Consolidated Marketing Analysis (CMA).

This one-page senior management report tracks all productivity categories, comparing the annual goal for each program against monthly and year-to-date results.

The (CMA) serves as a comprehensive management tool for the CEO in tracking and reviewing ongoing success of actual work against goals on a monthly and quarterly basis.

Measuring the Economic Impact of Miami Events and Festivals

Miami plays host to numerous popular events and the Bureau is often called upon for advice in determining the economic impacts of various events.

As a service to the industry, Bureau leadership may wish to recommend a standard, low cost, highly effective research tool for event impacts.

The International Events Association (IFEA), comprised of worldwide festival and event professionals dedicated to promotion and strengthening of the events industry, provides this service.

Their economic impact consultants provide comprehensive economic impact studies for events, including spending and tax impacts, demographic and local profiles of visitors, etc. The cost is an extremely low \$2,000.

V. Budget and Related Implications for Implementation

There are obvious budget and resource implications to designing and implementing strategies in support of the Strategic Work Plan and adopted goals. The variety of issues to consider include but are not limited to:

- Current GMCVB operating budget.
- Increases and/or reallocation of sales and promotional dollars.
- Diminution of traditional promotional efforts.
- Professional staff capacity/assignments.
- Private sector support.
- Public sector support.
- Specific programs, activities, services conducted by the GMCVB for or on behalf of its customers and constituents.
- Priority focus versus vertical and niche markets.

After consolidating and evaluating the varied input and priorities plus numerous observations and recommendations from the two independent performance audits, the strategic planning exercise, the Bureau's Executive Committee, and the draft template for an integrated Marketing Plan, the following points highlight projected costs related to implementing select initiatives.

1. Website:

There is resounding agreement that this initiative is a top priority. Bureau staff, the Executive Committee, and the consultants executing the audits and the strategic planning exercise all cite the need for and benefits of a re-engineered website. Briefly, the site improvements include providing dynamic one-to-one functionality, deep and current experiential content, from lifestyle-to-community specific, more revenue opportunities, enhanced online booking capability, in-depth data collection for consumer profiling, etc. There will also be additional staff resources needed to fully manage this process. As a follow-up to the audit and strategic planning process, staff obtained "best practices" options from the consulting firm representing the International Association of Convention & Visitors Bureaus (IACVB):

Estimated Costs:

Redesign	\$155,000 (Non Re-Occurring)
Management & Training	\$170,000
Expanded Web Marketing	\$300,000 - \$350,000

2. Public Relations/Media Relations:

Public Relations Program Expansion - due to advertising budget restrictions and the cost of general market advertising (both print and electronic media), the value of media placements continues to grow. A solid investment in an expanded Public Relations campaign would pay dividends in tourism dollars and related sales locally, regionally,

nationally and internationally. Plus, improved exposure to top government officials will enhance the Bureau's overall Community Relations efforts. The current GMCVB Media Relations Budget is approximately \$846,000 and includes a full-time professional staff of 4 media relations executives and 1 support staff (salary budget of \$320,000). The Division has a promotional budget of approximately \$527,000 including a domestic PR contract currently valued at \$85,000 and two contracts with firms in the United Kingdom (\$66,000) and Germany (\$56,000). The current contract for our domestic firm in New York is significantly under market value. Retaining a full-service PR firm has with it a significant budget implication.

Projected Cost to Support Major Expansion: \$500,000

3. Meetings & Convention Incentives:

In the face of increased competition for major city-wide conventions and special events, destinations and facilities are becoming increasingly creative and aggressive to create incentive funds/pools to attract bookings. Although the GMCVB currently has a modest pool and enjoys a strong partnership with both a City of Miami/Downtown Miami Hotel Task Force and a City of Miami Beach/Miami Beach Hotel Task Force, an expanded incentive pool may be required to remain competitive. Competitive incentives vary from actual cash contributions to waiver of rental and usage fees for meetings facilities.

Projected Cost for Expanded Incentive Pool: \$ 500,000 (Plus In-Kind Consideration)

4. Research:

All of the summary reports have advocated for the important role that research can play in targeting markets, defining *High-Value Customers*, designing and evaluating advertising and promotional messages, converting new customers, as well as calculating and evaluating performance and Return on Investment. A number of examples and options have been recommended for consideration. They include:

Advertising Testing	\$ 12,000 - \$15,000
Brand Awareness/Conversion Effectiveness	\$ 30,000
Additional Syndicated Research	\$ 50,000
Supporting Travel Agent and/ or Meeting Planner Research	\$ 25,000 - \$50,000

5. Way-Finding

A number of observations and research efforts have revealed the important service and branding roles that can benefit from a comprehensive community-wide way finding and signage program. Historically, the burden and responsibilities of designing and funding such programs rests with the public sector and is overlapping by jurisdiction be it federal, state or local highways or municipal governments or facilities. With a destination so diverse, geographically distinct, spread-out and welcoming of millions of international visitors annually, a comprehensive way finding program is critically needed.

Projected Costs: Without a comprehensive inventory and study of the existing and needed system, a cost cannot yet be projected. It is safe to say that a dedicated funding source and better coordination of public sector responsibilities would need to be identified beyond existing budgets.

VI. Stated Goals

In response to the coordination of two performance audits, a strategic planning exercise coordinated with outside consultants, priorities and objectives established by the Bureau's Executive Committee, and coordinated performance and accountability standards established by Bureau staff, a series of desired outcomes and specific goals should be established to provide a guide for future planning and strategic partnerships. As a blueprint for implementing a comprehensive Strategic Planning process, specific goals have been recommended and grouped in five (5) strategic areas:

- 1. Enhance the Destination's Tourism and Related Infrastructure and Continue to Develop and Expand Attraction Assets.**
 - A. Miami Beach Convention Center.
 - 1.A.1. The GMCVB should continue to support and advocate for the planned expansion of the Miami Beach Convention Center as well as provide collaborative input and assessment of the facility as possessing the latest and emerging state-of-the-art services/facilities designed to meet the needs of current and new customers.
 - 1.A.2. The GMCVB should continue to monitor industry trends, best practices as well as competitive challenges to provide and support incentives required in order to effectively compete for the solicitation of group meetings and conventions.
 - B. Other Meetings Facilities.
 - 1.B.1. The GMCVB should continue to support and advocate for the optimum use and promotion of other meetings venues within the community including earlier noted trends, best practices and competitive challenges.
 - C. Airport/Seaport Productivity.
 - 1.C.1. The GMCVB should continue to support strategic alliances with Miami International Airport and the Port of Miami designed to maximize the number of overnight visitors that can be generated from business activity including but not limited to route development.

D. Attractions

- 1.D.1 The GMCVB should take an active role in monitoring the competitiveness of its “attractions” assets and their relevance to the expectations of current or potential visitor profiles. This monitoring role should include all range of attractions including private facilities, public facilities/parks, performing arts and cultural facilities/museums, historic sites and districts and entertainment districts.

E. Beach Renourishment and Revitalization

- 1.E.1 As the current primary visitor attraction to the region, the maintenance, protection and optimum accessibility of the region’s beaches is of critical importance. In recognition of natural and man-made challenges adversely impacting this resource, the GMCVB should take an active role in working with local municipalities, county, state and federal agencies to ensure that a proper and coordinated plan is in place as well as the important roles private beachfront facilities including hotels can work closely to maintain and service this important visitor amenity.

F. Way Finding and Transportation

- 1.F.1. The GMCVB should encourage, advocate and support the development and expansion of a community-wide way-finding program fostering a collaborative effort between the public and private sector. Way-finding systems should include highway and street signage, location and on-premise signage, public and private transportation systems, key gateways and transfer points for the destination, as well as supporting collateral and promotional materials. Such materials should strive to strengthen and reinforce brand assets and brand identity. To support in the advocacy of such a system, a comprehensive review of the current systems and service levels in place should be conducted.
- 1.F.2. The GMCVB should encourage, advocate and support the development and expansion of Public/Private Transportation services that assist in serving visitor needs including the important coordination of visitor parking and accessibility to visitor attractions/services.
- 1.F.3. Concurrent with a review of current systems, a public/private partnership should be forged with stakeholders to design an optimum and efficient funding mechanism to support in the development of such systems and services.

2. Enhance the Visitor Experience

A. Service & Attitude.

- 2.A.1. The GMCVB should support and advocate for the creation and establishment of a collaborative “Service & Attitude” culture within the broadest possible scope of the hospitality industry ensuring that service levels and customer perceptions exceed leading industry standards. Specific strategies should include a comprehensive survey of current service levels and perceptions, a review of best practices and the use of current and expanded research methodologies to determine specific program recommendations.

B. Taxi Service.

- 2.B.1. The GMCVB should continue to take an active and supportive role in the ongoing commitment of ensuring the highest levels of taxi and for-hire service including operating standards, service & attitude, and distribution systems including maximizing the arrival and departure of visitors at Ft. Lauderdale/Hollywood International Airport.

C. Repeat Visitors.

- 2.C.1. The GMCVB should incorporate strategies in both research as well as service & attitude programs designed to support the maximum generation of repeat visitors to the destination.

3. Optimizing Sales & Marketing Activities Resulting in Maximum Performance and Results.

A. Leisure Sales & Marketing.

- 3.A.1. Design and implement a fully integrated Sales & Marketing Plan in support of this desired outcome while defining and targeting *High-Value Customers* that will optimize available resources.
- 3.A.2. Continue to grow domestic and international overnight visitors while maintaining optimum average daily room rates and occupancy performance for area hotels.
- 3.A.3. Continue to focus on growing summer and shoulder overnight visitation.

B. Convention Sales & Services.

- 3.B.1. Design and implement a convention sales and service strategy that targets the optimum conventions, meetings and events utilizing area Convention Centers as well as specific meetings venues in partner hotels. Strategy efforts will include targeting groups that can be attracted to take advantage of the variety and diversity of area hotels, meetings venues and destination products.
- 3.B.2. Expand current programs and strategies designed to stimulate and support generation of leads and bookings of shoulder and summer business. Such programs should incorporate emerging trends for non-traditional business, meetings and events.
- 3.B.3. Design and implement a comprehensive Convention Services Plan that provides optimum service and coordination to meet the needs of meeting planners, delegates and vendors resulting in the achievement of desired service levels and fostering repeat bookings.

C. Research.

- 3.C.1. Expand upon current research methods (intercept surveys) to validate and further define and profile visitors and potential visitors including additional syndicated research and focus groups.
- 3.C.2. Develop research models that help define and delineate *High-Value Customers* including areas of interest, visitor expectations, seasonal travel patterns, party size and composition, related activities and competitive destinations.
- 3.C.3. Develop research models that further identify current “non-visitors” to the destination including qualitative analysis of perceptions and interests in decision-making for vacation and travel planning and to assist in the development and distribution of motivational messages.
- 3.C.4. Develop research models that test and evaluate the effectiveness of current and proposed GMCVB advertising strategies including targeted niche market segments. Methodologies should include conversion studies as well as pre- and post-promise testing.
- 3.C.5. Develop GMCVB website capabilities and menus and page-view options to assist in developing “profiles” of visitors, both in terms of quantitative traffic to and within the site and qualitative interests of users.

D. Funding.

- 3.D.1. Strengthen interlocal partnerships and maximize prioritization, use and leverage of tax dollars in support of destination sales and marketing including but not limited to funding of GMCVB efforts.
- 3.D.2. Building upon the current success of the GMCVB's Membership Program and utilizing best practices from other comparable or applicable organizations, evaluate the current dues and services structure identifying opportunities to increase member participation and investment.
- 3.D.3. Develop and implement a comprehensive "sponsorship" program designed to generate private investment/sponsorship opportunities including but not limited to special events including title sponsorships, collateral and promotional materials, website promotion and exposure as well as leveraged advertising opportunities.
- 3.D.4. Develop appropriate in-kind formulas to maximize partner investment and support.
- 3.D.5. Develop a grant-seeking and foundation solicitation program with the optimum goal of linking grant-giving organizations (both private and public) with programs and activities in support of the overall mission of GMCVB and/or industry partners. Consideration should be given to leveraging grant-seeking efforts with partners in the public sector.
- 3.D.6. Expand current cooperative advertising programs and solicitation efforts to optimize investment and leveraged opportunities for cooperative partners (including public and private sectors).

E. Marketing.

- 3.E.1. Based on the findings and recommendations outlined in Section II and current and expanded research capabilities and methodologies outlined in Section VI – 3 (Research), produce a Market Assessment that will assist in identification and targeting of *High-Value Customers* for sales and marketing efforts.
- 3.E.2. Design and adopt a fully integrated marketing plan for all sales and marketing initiatives as part of the upcoming FY 04/05 budgeting and planning cycle incorporating the findings and recommendations outlined in Section III as well as the findings of the Market Assessment.

3.E.3. Continue evolution and expansion of “cosmopolitan/tropical” themes for the destination’s Miami brand while expanding opportunities to take advantage of strong brand attributes of the variety and diversity of Miami’s “neighborhoods” and sub-brands. Utilize fulfillment tools to educate customers and potential customers to tell the complete “Miami” story while ensuring brand integrity and consistency, not only advertising but supporting brand elements in visitor guides, website, special collateral materials, sales and promotional materials and media relations efforts.

3.E.4. Utilize expanded research methodologies to test and pre-test brand strategies and motivational messages.

F. Internet/Website Marketing.

3.F.1. Continue the expansion and evolution of the GMCVB website including incorporating the findings and recommendations outlined in Section II. End goals of this initiative included but are not limited to:

- Search Engine Optimization.
- Strategic Listings and Linkings.
- Direct email promotions to drive year round and seasonal business.
- Niche Programming (Gay & Lesbian, Boutique, Heritage, Adventure Travel, as well as activities/customer needs i.e. Golf, Spa, Dining, Special Events, Nightlife, etc.).
- Affinity and Cross-Marketing Campaigns.
- Expanded Media Placement Strategy.
- On-Line Public Relations.
- Supporting strategies for Brand Imaging and Sub-Brand Diversity.
- On-Line Research.
- E-Commerce Options/Opportunities.

3.F.2. Expand “interactive” components resulting in a change from an informational channel to a deliverable product for the consumer/visitor.

G. Professional Staff.

3.G.1. Utilize International Association of Convention & Visitors Bureau standards as well as best practices of other unique criteria identified as impacting the local industry, review and evaluate current GMCVB personnel policies (including compensation and staff development) that ensure maximum staff professionalism and performance.

4. Position GMCVB as “True Stewards” and the “Voice” for the Visitor Industry.

A. Community Relations.

4.A.1. The GMCVB should design, adopt and implement a comprehensive Community Relations Program incorporating the findings and recommendations outlined in Section II, as well as continuing to promote the impact and importance of the Visitor Industry and its partners. The GMCVB should continue to be a forum for the Visitor Industry including taking a leadership position on issues of importance to the industry and its partners. The comprehensive community relations plan should also incorporate newly developed Return on Investment methodologies. Such a program should incorporate strategies that target:

- Local Visitor Industry including Strategic Alliance Partners.
- Miami-Dade County Residents.
- Public Sector and Interlocal Partners.
- Other Community Based Service Organizations.
- Local Education and Hospitality Training Institutions.
- Opportunities to collaborate on a Regional, State and National Level.

B. Governance.

4.B.1. Executive Committee, Board of Directors and Standing Committees should be representative and foster interaction with the key sectors of the visitor industry and the community while providing for an efficient and responsible oversight of GMCVB operations and direction. Utilizing International Association of Convention & Visitors Bureau standards as well as best practices of other uniquely diverse governing bodies, review and evaluate current GMCVB by-laws and nominating committee procedures designed to foster optimum representation of industry and community stakeholders while resulting in a governing structure that is manageable and efficient including necessary checks and balances that protect the interests of the stakeholders and the mission of the organization.

5. **Establish Measurement Criteria for each element of the Strategic Plan (Both within the GMCVB and the community) including clearly defined leadership roles, time-lines, funding requirements.**

A. Timelines for Implementation.

5.A.1. It is recommended that such criteria be designated as Short-Term, Mid-Term or Long-Term Steps.

B. Return on Investment Criteria.

5.B.1. Establish Return on Investment criteria and monitoring systems that supervise results and the impact of each of the Bureau's programs including a specific emphasis on defining *High-Value Customers* including Convention and Leisure Sales, Marketing & Tourism including Advertising, Research, Publishing, Internet and Web Marketing, Media Relations, Membership and specific niche programming.

5.B.2. Return on Investment Criteria should be established to:

- Evaluate programs for their effectiveness based on established performance goals.
- Establish a "Value Position" formula for the return on community resources invested and leveraged with the Bureau and other partners.